

The **NATIONAL UNDERWRITER** *Life Insurance Edition*

JUNIOR NEEDS INSURANCE, TOO!

If on your twenty-first birthday your father had handed you a paid-up policy on your life would this gift have been welcome?

If such a gift would have been welcome to you it will be just as welcome to your son when he reaches twenty-one. Don't you agree?

Such an approach has sold many a Juvenile policy.

Today Limited Payment plans are popular. The combination of Low Premium insurance and War Bonds enables a father to complete payments on a Juvenile 20-Pay Life in ten years. As War Bonds mature future premiums can be paid therefrom.

Midland Mutual Life writes five Juvenile contracts, each from one day to fourteen years nearest birthday. Payor feature with death or death and disability available. Limits up to \$5,000 under age ten. Standard commissions paid with vested renewals.

It will pay you to capitalize on this ready market for life insurance. Juvenile insurance provides an entree to other sales and builds up a future market. We solicit your inquiry regarding our Juvenile contracts.

THE MIDLAND MUTUAL LIFE INSURANCE COMPANY
COLUMBUS, OHIO

FRIDAY, DECEMBER 11, 1942

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The Ætna Casualty and Surety Company • The Automobile Insurance Company • The Standard Fire Insurance Company

HARTFORD, CONNECTICUT

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Forty-sixth Year—No. 50

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, DECEMBER 11, 1942

\$3.50 Year, 20 Cents a Copy

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**Federal Security Holdings
Up 2.3 Billion—Policy
Loans at New Low**

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The amount of outstanding policy loans at the end of 1942 will be about \$2,391,000,000 for the association's member companies, or 7.5 percent of their total admitted assets, the smallest percentage for any of the 37 years covered by the tabulation.

Policy loans experienced abnormal increases during the early depression years, rising from 13.3 percent of assets at the end of 1929 to 17.9 percent at the end of 1932. This later fell to 12.6 percent in 1937 in line with the pre-depression level. The 1942 drop in policy loans outstanding amounts to \$191,218,000 for the member companies. If the experience of all companies is similar the drop for the year will be something in excess of \$210,000,000.

Aid to War Effort

The report points out that the increase in government bond holdings constitutes a direct aid by life companies in the prosecution of the war, that it has helped the government train, clothe, feed, and transport our fighting forces, to supply them with equipment from American production lines, to supply food and equipment to our allies and in addition to carry on its civil functions. Assets in other forms of investments, however, also have a significant bearing on the war effort, as is indicated by the types of enterprise they represent, the report observes.

Nearly one-third of life company assets, about \$11,000,000,000, will be invested as of the year-end in corporate securities, representing investments in industries supplying transportation, communication, power, light, water, gas, electricity, and many other vital public services, and to industries supplying essential products, including such war necessities as steel, iron, lead, aluminum, copper, brass, chemicals, rubber, fibers,

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Several score of victims of the fire resided in New Hampshire and Connecticut and outside the metropolitan area whose claims are not included in the above and there are also large policyholders not included, among them Buck Jones, the noted cowboy motion picture star, and several prominent motion picture officials who were of his party at the night club.

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Among some of the double indemnity policies was one for \$70,000, another for \$25,000, two for \$30,000 and still others.

Equitable Society probably heads the list with an aggregate of nearly \$400,000; New England Mutual had 14 claims for \$136,144; John Hancock over 50 claims for around \$175,000; Columbian National seven for \$77,000; Massachusetts Mutual three for \$62,000; Mutual Benefit Life four for \$34,000; National Life one for \$28,400; Prudential 15 for \$60,000, and Savings Bank Life Insurance of Massachusetts eight for \$35,000.

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General American Life has purchased \$1,500,000 in Victory Loan securities in connection with the \$9,000,000,000 campaign.

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**Chairman of Personal
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department of Royal, Globe and Eagle Indemnity, has resigned effective Jan. 1 to become assistant secretary of Mutual Benefit Life in charge of its disability division.

Mr. White is now serving his second term as chairman of the governing committee of the Bureau of Personal Accident & Health Underwriters. He has been especially active in organization work in the accident and health field, serving on the executive board of the National Association of Accident & Health Underwriters and the general committee in charge of Accident & Health Insurance Week.

He has been regarded as one of the outstanding accident and health men of the country and has been in great demand as a speaker, both before accident and health organizations and at the annual meetings and schools conducted by state associations of local agents.

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At Mutual Benefit Life he succeeds the late J. P. Marron, who also was well known in the accident and health field before joining that company.

G. M. Day Heads War Claims Liaison Committee

Willard E. Hein, State Mutual Life, president of the International Claim Association, has appointed Godfrey M. Day, Connecticut General Life, immediate past president, as chairman of the war claims liaison committee of the association. Associated with Mr. Day on the committee are W. K. Miller, Fidelity Mutual Life, and Frederick Bernhard, Home Life.

This committee will serve as a focal point for the life companies in working with government bureaus in solving problems that inevitably arise in connection with claims.

The adjutant general's office of the army, the bureau of personnel of the navy, the commandant of the marine corps, and the U. S. Maritime Commission are cooperating very closely with the committee and are transmitting through it to the insurance companies the necessary instructions for efficient handling of claims involving men in the service.

New Manpower Program May Give Lift to Insurance

**Removes Selling Obstacle
in 38-45 Group and
Should Compose Agents**

The new federal man-power program theoretically should have a beneficial effect on life insurance production not only because it tends to give the prospective buyer a greater sense of equanimity but because it should have the effect of composing many agents who have been troubled by a vague but distracting feeling that they ought to be in a uniform or at a lathe. Also it might conceivably result in a better opportunity for recruiting new agents.

At least for those in the age group 38-45, an important reason for not contracting for new insurance is removed. The fact that induction of those over 38 has been halted at this time does not necessarily mean that the older men may not some day be called but at least temporarily they know that they are not wanted and the impression is that the armed services will be very selective in passing upon enlistments of those 38-45, being principally interested in those who have some special talent or experience that is desired at the moment. Of course there remains the possibility that men not now in war production work may be requisitioned for jobs on the war production line but that does not appear to be an imminent possibility for those that do not have some particular skill that can be put to use. Also even with that possibility in the background, there is not the life insurance sales obstacles that there is in the case of a man who thinks that he might soon enter the army or navy and can get \$10,000 of National Service Life Insurance without war clause.

Effect on the Agent

Perhaps even more important will be the effect on the agent himself. One implication of the manpower program is that men will be tapped when needed either for the armed services or war industries and that until called a man need not have an uneasy conscience if he does not have some definite contribution that he can make by reason of his experience or special ability. Life insurance production has suffered not only because of the men that have left for the armed services and war industries but because of the lack of force and concentration devoted to selling on the part of many agents who have been wondering whether they ought to stay put. A good many agents have applied for commissions in the armed services and having done so have coasted along from day to day waiting for word from Washington. Probably a large proportion of these applications will now either be rejected or put on ice.

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W. F. White

Paying for Policy Not a Salary Boost, Regulations Hold

But Premiums May Not Exceed 5 Percent of Annual Pay

WASHINGTON—Regulations which have just been issued interpreting the salary stabilization order confirm earlier hopes that there will be a considerable market for life insurance bought by corporations which want to do their utmost to keep their valuable men but cannot pay higher salaries because of the stabilization order.

The regulations provide that where a corporation pays insurance premiums on the life of an employee and the amount is deductible as a business expense and includible as income to the employee the amount of the annual premium is not to be considered additional compensation for purposes of the order if it does not exceed 5 percent of the employee's annual compensation computed before purchase of the insurance.

Leaves Way Open

This leaves the way open for the sale of substantial amounts of insurance. Anything above 5 percent would be regarded as additional compensation and it would be necessary to get permission on the basis of the employee having been given additional responsibilities or on some other allowable grounds. In the rare case where for some reason the additional insurance is not deductible as a business expense of the employer and not includible as income any amount whatever paid for premiums would be regarded as additional compensation under the order.

In the case of pension trusts and annuity plans the regulations provide even more liberal treatment than the basis for other insurance or annuity purchases. If a pension trust or annuity plan qualifies for tax exemption, that is, if the employer's contribution may be deducted as a business expense and does not inure to the employees until the occurrence of some future contingency, then there is no limit on the percentage of salary that may be contributed without being regarded as constituting additional compensation for purposes of the order.

Since one of the main purposes of the salary stabilization order is to check the inflationary trend, life insurance men are pleased not only at the sales possibilities opened up by the regula-

Text of Laws Proposed by Guertin Committee

THE NATIONAL UNDERWRITER herewith presents the text of the two pieces of model legislation recommended by the Guertin committee on non-forfeiture values and reserve valuations in view of the fact that the National Association of Insurance Commissioners at its New York meeting approved the committee's report.

First is the proposed standard non-forfeiture law:

1. This act shall be known as the standard non-forfeiture law.

2. On and after Jan. 1, 1944, no policy of life insurance, except as stated in section 7, shall be issued or delivered in this state unless it shall contain in substance the following provisions, or corresponding provisions which in the opinion of the commissioner are at least as favorable to the defaulting or surrendering policyholder:

(a) That, in the event of default in any premium payment, the company will grant, upon proper request not later than 60 days after the due date of the premium in default, a paid-up non-forfeiture benefit on a plan stipulated in the policy, effective as of such due date, of such value as may be hereinafter specified.

Cash Surrender Value

(b) That, upon surrender of the policy within 60 days after the due date of any premium payment in default after premiums have been paid for at least three full years in the case of ordinary insurance or five full years in the case of industrial insurance, the company will pay, in lieu of any paid-up non-forfeiture benefit, a cash surrender value of such amount as may be hereinafter specified.

(c) That a specified paid-up non-forfeiture benefit shall become effective as specified in the policy unless the person entitled to make such election elects another available option not later than 60 days after the due date of the premium in default.

(d) That, if the policy shall have become paid-up by completion of all premium payments or if it is continued under any paid-up non-forfeiture benefit which became effective on or after the third policy anniversary in the case of ordinary insurance or the fifth policy anniversary in the case of industrial insur-

tions but at the definite implication that payments of life insurance premiums are non-inflationary. From the government's point of view, not only are the premiums so paid removed very largely from the consumer's goods market but the employee who receives the insurance from his employer has less money with which to bid up inflationary prices, because he must pay a federal income tax on the amount represented by the insurance premium except in the case of pension plans.

ance, the company will pay, upon surrender of the policy within 30 days after any policy anniversary, a cash surrender value of such amount as may be hereinafter specified.

(e) A statement of the mortality table and interest rate used in calculating the cash surrender values and the paid-up non-forfeiture benefits available under the policy, together with a table showing the cash surrender values, if any, and paid-up non-forfeiture benefit, if any, available under the policy on each policy anniversary either during the first 20 policy years or during the term of the policy, whichever is shorter, such values and benefits to be calculated upon the assumption that there are no dividends or paid-up additions credited to the policy and that there is no indebtedness to the company on the policy.

Method Must Be Stated

(f) A statement of the method to be used in calculating the cash surrender value and the paid-up non-forfeiture benefit available under the policy on any policy anniversary with an explanation of the manner in which the cash surrender values and the paid-up non-forfeiture benefits are altered by the existence of any paid-up additions credited to the policy or any indebtedness to the company on the policy.

Any of the foregoing provisions or portions thereof not applicable by reason of the plan of insurance may, to the extent inapplicable, be omitted from the policy.

The company shall reserve the right to defer the payment of any cash surrender value for a period of six months after demand therefor with surrender of the policy.

3. Any cash surrender value available under the policy in the event of default in a premium payment due on any policy anniversary, whether or not required by section 2, shall be an amount not less than the excess, if any, of the present value, on such anniversary, of the future guaranteed benefits which would have been provided for by the policy, including any existing paid-up additions, if there had been no default, over the sum of (a) the then present value of the adjusted premiums as defined in section 5, corresponding to premiums which would have fallen due on and after such anniversary, and (b) the amount of any indebtedness to the company on the policy. Any cash surrender value available within 30 days after any policy anniversary under any policy paid-up by completion of all premium payments or any policy continued under any paid-up non-forfeiture benefit, whether or not required by section 2, shall be an amount not less than the present value, on such anniversary, of the future guaranteed benefits provided for by the policy, in-

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Unauthorized Plan Bane of Existence of Commissioners

State Officials Again Ponder Operations of Unlicensed Companies

NEW YORK—At the meeting of the committee of the National Association of Insurance Commissioners on unauthorized insurance, presided over by Fraizer of Nebraska, chairman, considerable discussion arose as to ways and means of combating this evil. It is not easy to solve by any means. The commissioners seem to be particularly irritated by some accident and health companies and some writing life insurance using the radio and direct mail.

The life insurance involves the so-called family policy and the commissioners said that the conclusions reached by readers of advertising or listeners of radio are favorable, but that the contracts are tricky and destructive. These companies broadcast the country over. Some advertise low priced accident policies with a limited liability. Some of the commissioners stated that they have had numerous complaints from claimants.

The commissioners are very much aroused over the unauthorized insurance problem and the trend of thought seems to be that they should bear down on their own companies and if they do not have the authority, they should get the proper legislative enactments so that they can control their own home companies in their operations as unlicensed institutions in other states. The committee has a sub-committee of which Thompson of Oregon is chairman that has been working on the subject. It drew up a model bill and urged the commissioners to endeavor to get it passed by their legislatures. The committee was instructed to pursue its promotional work in this regard. So far the states do not have proper restrictive measures. Michigan, Virginia and California have more regulations than any other states. The Virginia law applies, however, only to life companies.

Bar Association Activity

The insurance committee of the American Bar Association drew up a proposed measure. The sub-committee having this subject in charge had as its chairman Attorney Henry S. Moser of Chicago.

The state officials declare that in this

(CONTINUED ON PAGE 23)



NOTABLES AT ANNUAL MEETING OF INSTITUTE OF LIFE INSURANCE IN NEW YORK:

Left to right: George H. Chace, vice-president Prudential; Capt. Daniel J. Reidy, formerly of Guardian Life of New York, past president of the International Claim Association and now in dependency allotments division of adjutant general's office;

Claris Adams, president Ohio State Life and institute director; James A. Fulton, president Home Life of New York; Bertrand J. Perry, president Massachusetts Mutual Life and T. A. Phillips, president Minnesota Mutual Life.

Seek Compromise on Taxing Proceeds, F. L. Morton Urges

Would Base Levy on Face Less Cash Value Owned by Widow

NEW YORK—Instead of clinging to the concept that life insurance is indemnification and not, as the courts have generally held, a testamentary disposition, life insurance men should attempt to get a fair compromise, according to F. L. Morton, tax expert of the Bethea agency of Penn Mutual Life in New York City, who addressed the New York City C. L. U. chapter. He said that the loss of the \$40,000 life insurance exclusion was less important than the change in the law which bases taxability on who paid the premiums as well as on incidents of ownership.

"The Senate finance committee talked about clarification but it was really changing the concept of life insurance from indemnification to testamentary disposition," he said. "We should base our fight on logical grounds rather than take the reactionary step of demanding the whole hog or none."

Would Tax on Actual Transfer

Mr. Morton argued for taxing life insurance proceeds on the basis of what actually came into the hands of the beneficiary as a result of the insured's death. For example, suppose that a widow received \$100,000 in life insurance proceeds. Some time previously her husband had assigned the policy to her under circumstances which would not bring up any question about the action having been taken in contemplation of death. At the time of the insured's death the policy's cash value was \$20,000.

Under Mr. Morton's proposal only the \$80,000 over and above the cash value would be includible in the gross estate, since even before her husband's death the wife had had full ownership and control of the \$20,000 cash value. Of course it is assumed that the husband had complied with all gift tax provisions both in turning over the policy to his wife and in making subsequent premium payments.

Predicts Much Replacement

The way the new law reads, the only course for the policyholder who wants to minimize his estate taxes and has the means and is insurable is to convert his present insurance to the paid-up basis and let his wife buy new insurance, which she owns outright and pays for out of her own funds. Mr. Morton said this situation is regrettable but it cannot be avoided with the law as it is. He predicted that so many wealthy policyholders would take this means of keeping their estate taxes down that the government would gain nothing whatever by the change in the law. He said he did not believe that agents could be criticized for advising their policyholders to make such a change where the circumstances indicated it.

Having just consulted the Treasury in regard to approval for a pension trust plan which did not conform with the criteria laid down in the law and hence called for special approval, Mr. Morton spoke encouragingly on the possibilities of getting pension trust funds approved under the new law. At the same time, he said, there are many points on which the Treasury itself is somewhat at a loss but which will be clarified when the forthcoming regulations are issued.

Mr. Morton pointed out that in order to qualify for the tax exempt status, a

(CONTINUED ON PAGE 13)

Pink to Head Hospital Service of New York

NEW YORK—At the close of the year when his term as superintendent of insurance will expire, Louis H. Pink will



LOUIS H. PINK

assume the presidency of the Associated Hospital Service of New York, succeeding the late Dr. S. S. Goldwater. Formed in 1934 the association last Oct. 31 had assets of \$9,894,083 and, in addition to a voluntary reserve of \$2,000,000 for epidemics and other emergencies, a surplus of \$5,121,865. Since its formation it has paid over \$37,000,000 to hospitals for care of its subscribers, about 400 of whom are admitted to hospitals daily.

(CONTINUED ON PAGE 23)

Salary Publicity Question Opened

Some Wonder Whether Schedule G in Life Blank Need Remain

The action of the insurance commissioners at New York in suspending for the duration the new schedule L in the fire and casualty blanks which would have required publicizing the salaries of all those receiving \$5,000 and more, has prompted some observers to wonder whether it might be possible some day to have Schedule G removed from the life blank. Schedule G is the one that requires reporting salaries of life companies that are in excess of \$5,000. Its removal could not be advocated as a war time economy, because the completion of this schedule requires very little work but its removal might very well be recommended on the same grounds that induced the commissioners to suspend Schedule L in the fire and casualty blanks.

One consideration that seemed to carry a good deal of weight was that the listing of salaries would enable companies to raid one another's junior executive staffs because they would know pretty definitely what bids would be attractive. Commissioner Blackall of Connecticut who strongly urged rescinding the requirement, stated that there is no more reason for publicizing the salaries of insurance men than there is to give salary information on doctors or lawyers.

Causes Salary Increases

It is understood that one of the theories that decided the commissioners to introduce Schedule G in the life blank was that it would tend to hold

(CONTINUED ON PAGE 23)

N. Y. Managers Hear Randolph Paul, Abner Thorp

Treasury Man Highly Praises Insurance as Aid to War Effort

NEW YORK—Savings made from current income and devoted to the payment of life insurance premiums were highly praised as an aid to the war effort and as an anti-inflationary measure by Randolph Paul, general counsel of the Treasury, in his talk at the New York City Life Managers Association dinner.

"Such payments are withdrawn from the inflationary stream of spending," he pointed out. "They are set aside more permanently than many other types of saving because most of us make a special effort to keep our insurance in effect. In addition, insurance premium payments enable life insurance companies to purchase government bonds. Life insurance companies have been and it may be confidently expected will continue to be, large purchasers of government securities. Thus, to a large extent, amounts paid for life insurance premiums flow as surely, if not as directly into the war effort."

Fight Against Price Rise

Mr. Paul emphasized that there would be only perhaps \$70 billion worth of goods and services available in 1943, while under existing taxes and savings, attempted consumption will be about \$85 billion. That amount must be reduced to \$70 billion if prices are not to rise further. Mr. Paul said he did not need to dwell on the injury which major price rises would bring to the holders of life insurance policies, who are represented in all income groups.

H. Arthur Schmidt, general agent of New England Mutual, and association president, was toastmaster.

At the afternoon session Abner Thorp, Jr., editor of the Diamond Life Bulletin, analyzed the survey which the association made through a detailed questionnaire to its members on various aspects of agency operations.

Pension Trust Situation

Asked whether the Treasury is satisfied with the treatment given pension trusts under the new tax law or whether there would be efforts to seek further restrictions, Mr. Paul said he felt the law is now satisfactory and that there is no reason to suppose that the treasury will do more than seek minor clarifying amendments. He said that because of the complexity of the pension trust provisions of the law it would probably be some time before regulations interpreting these provisions were issued.

Mr. Paul agreed with questioners who brought up the inequity of permitting a policyholder with a rich wife to duck the estate tax on his life insurance by having her pay the premiums with her own money, but said he knew of no practicable way to take care of the situation and had heard of no one else who knew. He pointed out that estate taxation of life insurance must be on legal grounds and the only two possible bases are incidents of ownership and payments of premiums.

Opposes \$40,000 Exemption

Mr. Paul's answer to one question put quite a chill on any hopes for getting the \$40,000 life insurance estate tax exclusion put back into the law in some future revenue act revision. He stated unequivocally that he considers the \$40,-

(CONTINUED ON PAGE 6)

Great Sense of Security

Letter from a beneficiary: "My husband was lost at sea in 1922, therefore I had to wait seven years for insurance. Before a year had elapsed, I borrowed \$5,000 from a friend, knowing it would be returned when the insurance was paid. I bought a house and rented furnished rooms. At that time I had a six year old boy and also an eight month old baby boy.

"We have grown through these years with practically no sickness, and now my elder son, 26, is in England with the U. S. Army, and my younger son, almost 21, is in the Navy Air Corps.

"This is what Penn Mutual has helped me do. I paid \$10,500 for my home, and now have a first mortgage of only \$1,500, and have a few thousand dollars in the bank. My home is kept in very good condition, had the roof insulated a few years ago, and last spring put a new roof on, and kept all repairs up-to-date.

"Now you can understand that my home and the insurance have served the purpose for which they were intended, a home for my boys and me. Had a great sense of security in knowing I could always count on my check."

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY
Chairman of the Board

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Dividend Scales For '43 are Set by Several Insurers

A number of important companies are making known this week their scale of dividends to policyholders for 1943. Those companies include Home Life of New York, State Mutual Life, Guardian Life, Fidelity Mutual, Connecticut General Life.

CONNECTICUT GENERAL

Connecticut General Life has announced a reduction in policy dividends effective Jan. 15. President Wilde stated in an announcement to the field that despite the fact the company and its participating department as a whole experienced a very favorable year in 1942, the fact remains earnings available for dividends are tending toward lower levels, principally because of lower interest rates which no longer can be balanced by increase in mortality savings. "The maintenance of the safety margin required by sound business judgment, particularly in times as uncertain as the present, necessitates that this fact be recognized, and accordingly the interest assumption used in calculating 1943 dividends has been fixed at 3 1/4 percent," he stated.

Change Only About 4 Percent

"The amount of the reduction will vary with the particular policy in question, but since the most important factor in our action is the decline in excess interest earnings, the effect on dividends is naturally most marked on the higher priced plans of insurance at the longer durations. On the average, it will not increase the cash outlay by the policyholder by more than 4 percent."

Interest Factor Predominant

The accumulation rate for dividends left with the company at interest will be 3 percent commencing with the policy anniversary in 1943, except where the guaranteed accumulation rate stipulated in the policy is greater, when the guaranteed rate will be used. Interest payments on funds left under supplementary agreement will be 3 percent, except that if a greater rate is guaranteed that will be used. The new dividend scale per \$1,000 for a number of forms is:

Dividends End of Year Ordinary Life						
Age	1	2	5	7	10	Total
20	\$2.99	\$3.00	\$3.06	\$3.10	\$3.17	\$30.72
21	3.00	3.02	3.07	3.12	3.18	30.86
22	3.02	3.04	3.10	3.14	3.21	31.12
23	3.03	3.05	3.11	3.16	3.23	31.26
24	3.05	3.07	3.14	3.18	3.26	31.50
25	3.07	3.09	3.16	3.21	3.29	31.75
26	3.09	3.11	3.18	3.24	3.32	32.00
27	3.11	3.14	3.21	3.26	3.35	32.26
28	3.13	3.16	3.23	3.29	3.38	32.51
29	3.15	3.18	3.26	3.32	3.41	32.78
30	3.18	3.20	3.29	3.35	3.44	33.06
31	3.21	3.23	3.32	3.38	3.48	33.39
32	3.23	3.26	3.35	3.41	3.52	33.69
33	3.26	3.29	3.38	3.45	3.56	34.04
34	3.29	3.32	3.42	3.49	3.60	34.40
35	3.32	3.35	3.46	3.53	3.65	34.79
36	3.35	3.39	3.49	3.57	3.69	35.16
37	3.40	3.43	3.54	3.62	3.75	35.65
38	3.43	3.46	3.58	3.66	3.79	36.03
39	3.47	3.51	3.63	3.71	3.85	36.54
40	3.51	3.55	3.68	3.76	3.91	37.02
41	3.56	3.61	3.74	3.83	3.97	37.63
42	3.61	3.65	3.79	3.88	4.03	38.13
43	3.66	3.70	3.85	3.95	4.10	38.75
44	3.71	3.76	3.91	4.01	4.17	39.37
45	3.76	3.81	3.97	4.07	4.24	39.95
46	3.83	3.88	4.04	4.15	4.32	40.68
47	3.89	3.94	4.11	4.22	4.40	41.40
48	3.95	4.01	4.18	4.30	4.48	42.13
49	4.03	4.08	4.26	4.39	4.57	42.95
50	4.10	4.16	4.35	4.47	4.66	43.79
51	4.17	4.24	4.43	4.56	4.76	44.62
52	4.26	4.32	4.52	4.66	4.86	45.51
53	4.34	4.41	4.62	4.75	4.96	46.50
54	4.44	4.51	4.72	4.86	5.07	47.55
55	4.53	4.61	4.83	4.97	5.19	48.61
56	4.64	4.71	4.94	5.09	5.31	49.77
57	4.76	4.83	5.07	5.22	5.45	51.04
58	4.87	4.95	5.16	5.35	5.58	52.26
59	5.00	5.08	5.33	5.49	5.73	53.67
60	5.13	5.21	5.47	5.63	5.87	55.04
61	5.27	5.36	5.62	5.79	6.04	56.62
62	5.42	5.51	5.78	5.96	6.21	58.20
63	5.58	5.67	5.95	6.13	6.38	59.89
64	5.75	5.85	6.13	6.31	6.57	61.69
65	5.93	6.03	6.32	6.50	6.77	63.59

Life 20 Payments						
Age	1	2	5	7	10	Total
20	\$3.41	\$3.45	\$3.58	\$3.67	\$3.83	\$36.08
21	3.47	3.47	3.60	3.70	3.86	36.33

Total						
Age	1	2	5	7	10	10 yrs.
20	3.45	3.49	3.63	3.72	3.89	36.57
21	3.46	3.50	3.64	3.74	3.90	36.71
22	3.48	3.53	3.67	3.77	3.93	36.99
23	3.50	3.55	3.69	3.79	3.96	37.22
24	3.53	3.58	3.72	3.83	4.00	37.57
25	3.55	3.60	3.75	3.86	4.03	37.83
26	3.58	3.62	3.78	3.89	4.07	38.10
27	3.60	3.65	3.80	3.91	4.10	38.37
28	3.63	3.68	3.84	3.95	4.14	38.72
29	3.65	3.70	3.86	3.98	4.17	38.98
30	3.68	3.73	3.90	4.02	4.21	39.36
31	3.71	3.76	3.93	4.06	4.25	39.71
32	3.74	3.80	3.97	4.09	4.30	40.08
33	3.77	3.83	4.01	4.13	4.34	40.46
34	3.81	3.86	4.04	4.17	4.38	40.82
35	3.84	3.90	4.08	4.21	4.43	41.20
36	3.88	3.94	4.13	4.26	4.48	41.68
37	3.91	3.97	4.18	4.30	4.53	42.05
38	3.95	4.01	4.21	4.35	4.58	42.53
39	3.99	4.06	4.26	4.40	4.64	43.03
40	4.04	4.10	4.31	4.45	4.69	43.52
41	4.08	4.14	4.35	4.50	4.74	43.97
42	4.12	4.19	4.40	4.56	4.80	44.49
43	4.17	4.24	4.46	4.62	4.87	45.08
44	4.23	4.30	4.52	4.68	4.93	45.67
45	4.28	4.35	4.58	4.74	5.00	46.26
46	4.33	4.41	4.64	4.80	5.06	46.86
47	4.39	4.47	4.71	4.87	5.14	47.56
48	4.46	4.53	4.78	4.94	5.21	48.23
49	4.52	4.60	4.85	5.02	5.29	48.95
50	4.59	4.67	4.93	5.10	5.37	49.74
51	4.66	4.74	5.00	5.17	5.45	50.44
52	4.74	4.83	5.09	5.26	5.54	51.35
53	4.83	4.91	5.18	5.36	5.64	52.27
54	4.91	5.00	5.27	5.45	5.73	53.17
55	5.00	5.09	5.36	5.54	5.83	54.09
56	5.10	5.19	5.47	5.66	5.94	55.18
57	5.21	5.30	5.58	5.77	6.06	56.31
58	5.31	5.41	5.69	5.88	6.17	57.41
59	5.44	5.54	5.83	6.02	6.31	58.74
60	5.57	5.67	5.96	6.15	6.44	60.07
61	5.71	5.81	6.10	6.30	6.59	61.52
62	5.85	5.96	6.26	6.45	6.74	63.04
63	6.01	6.12	6.42	6.62	6.91	64.67

Endowment 20 Years						
Age	1	2	5	7	10	Total
20	\$4.31	\$4.40	\$4.68	\$4.88	\$5.21	\$47.42
21	4.31	4.40	4.68	4.88	5.21	47.42
22	4.31	4.40	4.68	4.88	5.21	47.42
23	4.31	4.40	4.68	4.88	5.21	47.42
24	4.31	4.40	4.68	4.88	5.21	47.42
25	4.31	4.40	4.68	4.88	5.21	47.42
26	4.31	4.40	4.68	4.88	5.21	47.42
27	4.32	4.41	4.69	4.89	5.22	47.52
28	4.32	4.41	4.69	4.89	5.22	47.52
29	4.32	4.41	4.69	4.89	5.22	47.52
30	4.33	4.42	4.70	4.90	5.23	47.62
31	4.33	4.42	4.70	4.90	5.23	47.63
32	4.34	4.43	4.71	4.91	5.24	47.72
33	4.34	4.43	4.71	4.91	5.24	47.72
34	4.35	4.44	4.72	4.92	5.25	47.82
35	4.36	4.45	4.73	4.93	5.26	47.92
36	4.37	4.45	4.73	4.93	5.27	47.94
37	4.39	4.47	4.75	4.95	5.29	48.15
38	4.40	4.48	4.76	4.96	5.30	48.25
39	4.41	4.49	4.77	4.98	5.31	48.36
40	4.43	4.51	4.79	5.00	5.33	48.56
41	4.44	4.53	4.81	5.01	5.34	48.72
42	4.46	4.55	4.83	5.03	5.36	48.92
43	4.48	4.57	4.85	5.05	5.38	49.12
44	4.50	4.59	4.87	5.07	5.40	49.33
45	4.52	4.62	4.90	5.11	5.44	49.65
46	4.55	4.64	4.93	5.13	5.46	49.89
47	4.59	4.67	4.96	5.16	5.49	50.21
48	4.62	4.71	4.99	5.20	5.52	50.53
49	4.66	4.75	5.04	5.24	5.56	50.96
50	4.70	4.79	5.08	5.28	5.61	51.39
51	4.74	4.83	5.12	5.33	5.65	51.81
52	4.79	4.88	5.17	5.37	5.69	52.26
53	4.84	4.93	5.22	5.42	5.75	52.80
54	4.90	4.99	5.29	5.49	5.81	53.44
55	4.96	5.06	5.35	5.55	5.87	54.07
56	5.03	5.12	5.42	5.62	5.94	54.74
57	5.10	5.20	5.49	5.70	6.01	55.49
58	5.19	5.28	5.58	5.78	6.10	56.35
59	5.27	5.37	5.67	5.87	6.18	57.22
60	5.37	5.47	5.77	5.97	6.28	58.22
61	5.48	5.58	5.89	6.09	6.40	59.38
62	5.61	5.71	6.03	6.22	6.52	60.67
63	5.74	5.84	6.15	6.35	6.65	62.07
64	5.90	6.00	6.31	6.51	6.81	63.57
65	6.06	6.16	6.47	6.67	6.97	65.18

Life Full Paid at Age 65						
Age	1	2	5	7	10	Total
20	\$3.03	\$3.05	\$3.11	\$3.16	\$3.23	\$31.27
21	3.13	3.16	3.24	3.29	3.39	32.55
22	3.20	3.24	3.30	3.40	3.47	34.23
23	3.27	3.31	3.36	3.47	3.57	36.63
24	3.35	3.40	3.47	3.58	3.67	38.47
25	3.47	3.52	3.60	3.71	3.81	40.40
26	3.61	3.66	3.74	3.85	3.95	42.47
27	3.76	3.81	3.90	4.01	4.11	44.68
28	3.91	3.97	4.07	4.18	4.28	46.95
29	4.07	4.13	4.24	4.35	4.45	49.37
30	4.24	4.30	4.41	4.52	4.62	51.95
31	4.42	4.48	4.60	4.71	4.81	54.68
32	4.61	4.67	4.79	4.90	5.00	57.57
33	4.81	4.87	5.00	5.11	5.21	60.62
34	5.02	5.08	5.21	5.32	5.42	63.84
35	5.24	5.30	5.43	5.54	5.64	67.24
36	5.47	5.53	5.66	5.77	5.87	70.82
37	5.71	5.77	5.90	6.01	6.11	74.58
38	5.96	6.02	6.15	6.26	6.36	78.52
39	6.22	6.28	6.41	6.52	6.62	82.64
40	6.49	6.55	6.68	6.79	6.89	86.94
41	6.77	6.83	6.96	7.07	7.17	91.42
42	7.06	7.12	7.25	7.36	7.46	96.08

Beveridge Report Has Many Insurance Angles

NEW YORK—Insurance executives in this country are deeply interested in the comprehensive social security report offered in the House of Commons Dec. 1, by Sir William Beveridge, British economist and government planner, and are certain to follow the treatment accorded it in parliament with the closest attention; appreciating that what is there said and done will have repercussions here, and will influence Congress when it is called upon to act on the suggested extension of the social security program of this country early next year.

From a summary of the Beveridge report that has appeared in the home press, and given in THE NATIONAL UNDERWRITER last week, its recommendations, while held revolutionary by some, are claimed by Sir William to be rather evolutionary; an opinion shared by a large section of the British press, and seemingly endorsed in their entirety in Australia, the prime minister of which declared his country is prepared to consider benefits even more liberal than those proposed by Beveridge.

View of Financial Circles

Many members of parliament have already announced their support of the Beveridge program, and, rather surprisingly, financial interests in London have given its principles their sanction, though holding it should be revised in certain particulars.

One immediate effect of the publication of the report in London was the sharp break in the market quotation for many rails, industrial and insurance stocks, declines as to some securities being as much as 45 points. The sharp reaction so far as insurers was concerned notably affected the companies transacting a substantial industrial life business, the Beveridge report contemplating the assumption of all outstanding industrial coverage at a fair compensation to the companies. The contention of Sir William on this score was that industrial life insurance as conducted by private carriers was too expensive, and that the business could be administered at far less cost by the government.

Industrial life insurance has been developed by private companies in Great Britain to such degree that the total indemnity now in force is somewhat in excess of \$5,000,000,000. The company outstanding in writing such risks is Prudential, with Pearl second, followed in turn by Britannic, Co-Operative, Pioneer, Refuge, and Salvation Army Assurance.

In recent years the policies of the companies have been materially broadened through the granting of additional benefits and the payment of dividends.

Life Presidents Reelect Staff, Executive Committee

Officers and members of the executive committee of the Life Presidents Association were reelected for 1943 at a business meeting. The committee consists of Elbert S. Brigham, president National Life, Vt.; W. Howard Cox, president Union Central; Franklin D'Olier, president Prudential; Lewis W. Douglas, president Mutual, N. Y.; John R. Hardin, president Mutual Benefit; George L. Harrison, president New York Life; Frederick W. Hubbell, president Equitable of Iowa; Leroy A. Lincoln, Metropolitan; Thomas I. Parkinson, Equitable Society; G. W. Smith, president New England Mutual; L. Edmund Zacher, president Travelers.

The officers are: V. P. Whitsitt, manager and general counsel; Bruce E. Shepherd, actuary; C. F. Creswell, statistician; R. L. Hogg, assistant general counsel; Frank DeF. Ross, attorney; R. B. Crane, assistant secretary.

reducing the net cost to assured. Reforms in handling the business have made possible a sharp reduction in the cost of operations, the expense ratio of certain leading offices having been cut from the former 50 percent to half that figure since 1920.

Social insurance in one form or another has been in operation in Great

Britain for a long time, and the plans offered by Sir William are but a further development, induced at this time by the high cost of living and a keen appreciation of the sacrifices made by the so-called working classes through the war years.

The primary objection offered to the comprehensive plan is that it will sharply curtail private enterprise, and again the cost of meeting the assumed obligations will prove staggering. In answer, assurance is made that the government so far from infringing upon private enterprise will do its utmost in the post war

Connecticut Mutual Life Is Now Member of A.L.C.

Connecticut Mutual Life has been admitted to membership in the American Life Convention. This increases to 172 the total company memberships of the A. L. C.

period to further its extension, and as to costs, the outside figure for carrying out the plan is held by its sponsors to be about 10 percent of that now paid by Great Britain for its war effort.

Mutual Life EXTENDS ITS NON-MEDICAL PROGRAM TO HELP ITS FIELD FORCE Meet Today's Conditions

THE SCARCITY of doctors and the need to save tires and gasoline have brought about a liberalization of this Company's non-medical program. Non-medical business, however, remains a privilege granted only to our full time Field Underwriters who possess the degree of care and discretion required to solicit this type of business.

In the absence of a medical examination, the Field Underwriter is asked to make certain that all factors, including health, habits, character, environment and mode of living, are favorable. This added responsibility for careful selection of risks in the field helps our representatives to become "underwriters" in fact, as well as in name.

• Here are some of the new Mutual Life rules for the submission of applications without medical examination:

TERRITORY—Non-medical insurance is available when neither the applicant's residence nor business is in a town of over 25,000. There are exceptions to meet local conditions.

AGE—Insurance ages 6 to 40 inclusive are accepted.

AMOUNT—Maximum amount on the non-medical plan, including any amount previously issued on this plan, is \$5,000; on married women, \$2,500.

PLAN OF INSURANCE—Non-medical insurance is issued on all plans except Preferred Risk Modified Life, Term and Double Protection.

SUBSTANDARD OCCUPATIONS—Non-medical insurance is considered in the cases of persons in hazardous occupations provided the occupation does not call for an extra premium in excess of \$3.50 per \$1,000.

• The Company reserves the right to call for a medical examination where circumstances indicate its desirability.

WE FEEL that this extended non-medical program is another step in enlarging Mutual Life service to the insuring public, and that it makes a timely contribution toward the solution of some of the problems which the war has created for our Field Force.

THE MUTUAL LIFE INSURANCE COMPANY of NEW YORK

"First in America"

Lewis W. Douglas, President

1843 - First Policy Issued • 1942 - More than 900,000 Policyholders
34 NASSAU STREET • NEW YORK CITY

1843

IT'S COMING—

1943

OUR 100TH ANNIVERSARY

Hear Randolph Paul, Abner Thorp

(CONTINUED FROM PAGE 3)

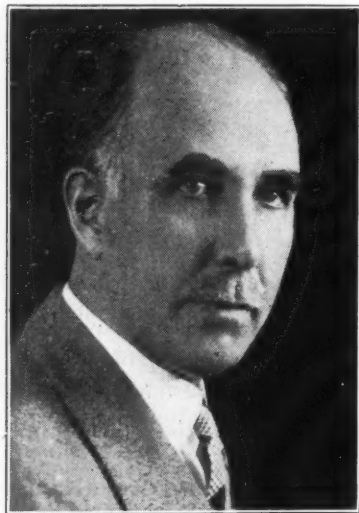
000 exclusion a discrimination, favoring one type of property and persons able to qualify for insurance, and that it was not justified even though it had been in the law since 1918. He made the point that even without the \$40,000 exclusion life insurance fares very well from a tax standpoint.

Because of the intense interest in Mr. Paul's subject and his prominent position in the Treasury's tax activities the attendance was the largest in the history of these gatherings.

Grant Taggart, N.A.L.U. president, made a brief talk.

FIGURES ARE GIVEN

A total of 66 agencies participated in the survey. These were divided into four groups according to annual production, as follows: Group A—17 agencies whose annual production is \$1,500,000 less; group B—35 agencies with production from \$1,500,000 to \$4,000,000; group C—12 agencies with production ranging



ABNER THORP, JR.

between \$4,000,000 and \$7,500,000; and group D—2 agencies with production exceeding \$7,500,000. This break-down was used in order to make the results of more value when used as a yardstick.

While some of the questions dealt with matters solely of interest to general agents or managers, a number of the questions are of interest to the entire field, for example, the various practices and agency contract provisions relating to collection fees and renewal forfeiture clauses. Of the 66 agencies, 51 have a renewal forfeiture clause in their agents' contracts. Thirteen did not while 2 agencies, both in the "C" group, did not answer the question. Of the agencies having a renewal forfeiture provision the most widely used basis, followed by 20 agencies, is that the agent forfeits the renewals if production is less than a specified minimum amount. Twelve agencies, all of them in the "B" group, provide that the agent forfeits renewals if the agent leaves the agency after having been under contract for less than a specified number of years. Five agencies used a combination of the length of service and production minimums. Three agencies, all in the "A" group, imposed collection fees ranging from one-half of one percent to two percent.

Basis of Allocating Leads

All but two agencies furnish leads to their agents. However, the basis for allocation of these leads varies widely. Closing ability is the basis for allocation in 21 agencies; residence, location, or nationality is the basis in 18 offices; while leads are equally distributed among all agents in 10 agencies.

In 61 of the 66 agencies no charge is made for these leads, while in two offices

50 percent of the commission goes to the agency or company while in one agency 25 percent of the commission goes to the agency.

In the case of over-the-counter business 19 agencies credit the business to the agency or general agent and 17 give the business to the agent who happens to be called in on the case. A wide variety of other systems also prevails, including that of giving the business to the agent covering the address, used by nine agencies.

In 11 agencies the compensation of supervisors for fulltime agents is based on the production of their units while in 34 this basis is not used. Twenty-one agencies either had no supervisors or did not answer the question.

Supervisors' Write Business

In 46 agencies the supervisors write personal business and in three they do not. In 18 of the 66 agencies the supervisor gives his full time to supervision, production being limited to his spare time. In 18 agencies the supervisor devotes from one-third to three-quarters of his time to supervision while in five no definite time is required.

In 32 agencies if the supervisor closes a case for an agent the commission is paid in full to the agent. In two agencies the commission is shared under certain circumstances while in five it is split 50-50. Five agencies pay the commission in full to a new agent but split it with the supervisor working with an old agent.

Where the manager or general agent closes a case for the agent the commission is paid in full to the agent in 45 agencies, shared under certain circumstances in two agencies, split 50-50 in nine offices, while in two offices it is paid in full to a new agent and shared with an old agent.

In terms of full-time supervisors' salary per \$1,000 of business received in 1941 from the efforts of the supervisor and the agents he works with it costs the "A" agencies on the average, \$3.75, the "B" agencies \$4.44, and the "C" agencies \$3.80. Neither of the two "D" agencies reported on this.

The corresponding figures in terms of brokerage supervisors' salary to obtain the 1941 business from brokers or agents of other companies were as follows, on the average, for the first three groups of agencies: \$5.38, \$3.44 and \$3.19. Neither of the two "D" agencies answered this question. In fact, relatively few of the agencies in any group answered either this question or the immediately preceding one, part of the explanation being that 36 agencies have no brokerage supervisors and 17 have no supervisors for full-time agents.

BUSINESS SOURCES

In answer to the question, "what percent of your business was produced by full-time agents domiciled within your agency?" respective percentages of the four groups of agencies were as follows: 54, 55, 70, and 69. The corresponding figures for percentage of business produced by full time agents domiciled outside the agency was 10, 8, 4, and 18. The average percentage of business produced by the general agent or manager was 11, 5, 4, and 0.5.

The corresponding figures for average percentages of business produced by supervisors was 6, 6, 3, and 0.5, while for the average percentage of business produced by general insurance brokers and agents of other companies was 19, 26, 19, and 12.

One of the most significant questions was, "What does it cost each year to place new business in your office, per \$1,000?" The averages for the four groups of agencies were as follows: \$5.95, \$6.23, \$6.17, and \$8.73. The highest figures for each of the four groups were \$10.38, \$15.69, \$8, and \$8.73. The lowest figures were respectively \$2.40, 75 cents, \$4.24, and \$8.73. Recurrence

Chicago,
N. Y.

vs.

Los Angeles,
Mich.

(reading time 54 seconds)

Markets are not always equal. Facilities and procedures adequate for Chicago won't always work in New York City, buying habits in Los Angeles may differ widely from those in Detroit.

Continental Assurance...an agency-minded company...has become one of the leading life insurance institutions largely for two reasons: (1) It has always recognized territorial sales differences; (2) Its facilities have always been built to meet local problems of local producers.

The character and value of this policy to an agency are attested by Continental Assurance growth and progress. Each and every year since inception there has been uninterrupted increase in assets and insurance in force...a record impossible of attainment without corresponding growth and progress on the part of Continental Assurance field units.

Perhaps Continental Assurance facilities, supplemented by Continental's brand of agency cooperation, can be of benefit in building your volume in '42—or any other year.

Nationally Known for
Strength and Growth

Continental
ASSURANCE COMPANY
CHICAGO, ILLINOIS

Affiliated with

CONTINENTAL CASUALTY COMPANY
TRANSPORTATION INSURANCE COMPANY

of the \$8.73 figure is due to the fact that only one of the "D" agencies answered this question.

Forty-four agencies will not permit an agent to renew his license unless he produces a specified minimum of new business while 22 have no such requirement. Only 13 agencies give an office expense allowance to agents who do not use the agency as headquarters.

The number of agents under contract averaged as follows for the four groups of agencies: 9, 18, 29, and 83. The maximum number of agents in any office in each of the four groups was 30, 50, 51, and 100, while the lowest number was, respectively, 3, 2, 10, and 65.

Of the 25 agencies requiring agents to produce a specified minimum of business to have a private office the average requirement of the six "A" agencies is \$153,333; of the 14 "B" agencies \$228,571; and for five "C" agencies \$170,000. The "D" agencies did not answer this question.

Among the other points covered are control of telephone, postage, office overhead, direct mail, and clerical staff expenses.

Asks Insurers to Join Agents in Washington Fight

H. K. Cassidy, San Francisco general agent of Pacific Mutual Life and president of the California State Association of Life Underwriters, has made public a letter he has written to President Grant Taggart of the N. A. L. U., strongly urging that the company organizations be implored to stand shoulder to shoulder with the agents in an aggressive fight to win the recognition in Washington for the institution to which it is entitled on the basis of its contribution to the well being of the nation.

Mr. Cassidy said he was much disturbed by the recent statement of Harry Hopkins that 300,000 insurance employees would be taken for war work, and Mr. Hopkins' apparent indifference to the inability of assured to continue their protection if they are assigned to smaller salaried war jobs.

Self-Appointed Spokesmen

"It seems high time we found out definitely just where we do stand in Washington," Mr. Cassidy stated. "There have been a lot of self-appointed spokesmen sounding off on all kinds of subjects. Their chief accomplishment has been to foster uncertainty and confusion. Mr. Hopkins, however, could scarcely be considered a self-appointed spokesman. We have been led to believe that he speaks for the White House."

Policyholders must look to field organization and company management organization to protect the common interests.

The National Association of Life Underwriters he said, has been carrying more of the burden of the battle in Washington. It has done a grand job but it needs support. "It is the prevailing opinion that company management has been either too timid to fight or so smug, complacent and secure in their own positions that they preferred to temporize."

"Company management is organized, but if we are correctly informed, it has brought to bear in governmental circles, but little of the pressure of its power. The Life Presidents Association, American Life Convention, Institute of Life Insurance and perhaps other management bodies would carry a lot of weight if they consolidated their forces with ours and we all stood shoulder to shoulder in an aggressive fight for preservation of the institution. All established institutions are under attack, and, as witness the Hopkins' statements, life insurance is no exception. Perhaps we can defend ourselves but defense never wins victories."

20-Year Man



RALPH H. KASTNER

Ralph H. Kastner, associate counsel of the American Life Convention, has completed 20 years in the service of the organization. He started as clerk in the legislative bureau under the late Thomas W. Blackburn, then secretary and general counsel. The headquarters staff then consisted of Mr. Blackburn, his law partner, W. Ross King, who edited the "Legal Bulletin," and Mrs. Lee Beymer. Mr. Kastner is the only one of that group still with the convention and he is the only person who has served the convention in its three headquarters locations, Omaha from 1922 to 1926, St. Louis from 1926 to 1934, and in Chicago since 1934. He also is the only one to serve under the convention's four managers and general counsel, Mr. Blackburn, Claris Adams, now president Ohio State Life; Byron K. Elliott, now vice-president and general counsel John Hancock Mutual, and Col. Charles B. Robbins.

Celebrates 50th



JOHN A. TORY

John A. Tory, director of Sun Life of Canada, is celebrating his 50th service anniversary. He started as an agent in Antigonish, N. S., and shortly afterward he was appointed inspector for the West Indies and certain Central American countries. Later he went to Grand Rapids, Mich., as district manager. Then he moved to Detroit as state manager and developed one of the leading agencies in the U. S. In 1908 he was transferred to Toronto in charge of western Ontario. Four years ago he was elected a director.



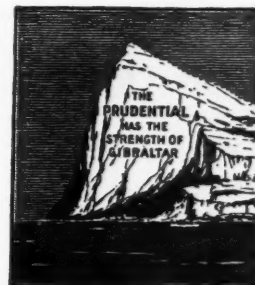
Let's Talk About Women

Mothers of families, for example.

They are the most skilled individuals in the world in one important job—the proper rearing of children.

But there is one "MUST" connected with this all-important task—it requires a major portion of their time and energies, and—financial support.

One great responsibility of the life insurance agent is to see to it that the mothers of the land are so secured by such protection that even the loss of the family provider will not interfere with their exacting duty toward their sons and daughters.



The Prudential
Insurance Company of America

Home Office, NEWARK, N. J.

Inventory Card for Men in Service

SOLDIERS' AND SAILORS' LIFE INSURANCE INVENTORY CARD

NAME
SERVICE ADDRESS

POLICY INFORMATION

Company Name
Company Home Office Address
Date of Birth
Face Amount of Policy
Kind of Policy
Policy Number
Date Policy was Issued
Beneficiary
Address to which Premium Now Goes
.....
Due date of Last Premium Paid
Name of Office or Person to Whom Paid.....
Address
.....
Date Next Premium is Due
Period it Covers
Amount of any Policy Loan Outstanding
Monthly Premium. (Ask your agent or company)

PREPARED BY THE INSTITUTE OF LIFE INSURANCE

A soldiers and sailors life insurance inventory card has been developed jointly by the Institute of Life Insurance and National Association of Life Underwriters to aid service men in arranging their life insurance on leaving for war. It will be distributed nationally by the institute. On the card can be recorded all information required in arranging insurance details with either army or navy.

Local phases of the plan are being undertaken by local life underwriters associations, it was announced by Sidney Wertimer, Buffalo, chairman N. A. L. U. committee on life insurance information. Agents will be equipped to provide cards both for men entering service and to families which have men in service and may wish to send the data on to them. In many cases, the information will be provided or filled in by the agents.

The inventory card was prepared by the institute after consultation with army men handling life insurance details for service men and includes all information which may be needed either in setting up allotment plans for paying premiums or securing government aid under the soldiers' and sailors' civil relief act in maintaining insurance up to \$10,000 or in adjusting the insurance to the program provided by the additional protection purchased from the government.

Dinner for Legislators to Be Held in Los Angeles

LOS ANGELES—Southern California members of the 1943 legislature will be guests at a dinner in their honor here Dec. 15, sponsored by the California Association of Life Underwriters.

Samuel Leask, Jr., OPA director for southern California, speaks on "The Program of the Office of Price Administration;" Dr. Louis H. Evans, pastor First Presbyterian Church of Hollywood, and Ralph C. Dills, member of the California assembly for four years, on "How a Bill Becomes a Law."

H. Kenneth Cassidy, Pacific Mutual Life, San Francisco, state association president, will be toastmaster.

A similar dinner will be held in the northern part of the state for the legislators there.

Cooperating with the state association in putting on the dinner will be all of the local associations in southern California.

Earl Morris, moderator of the Columbus (O.) Town Meeting, addressed the Life Insurance Cashiers Association, Dec. 8 on "Our Town."

Experience has shown that many service men do not have this data in hand and much delay is caused by the endeavor to secure it by correspondence. Army and navy men at induction centers have been greatly troubled by the lack of data necessary to the insurance adjustments.

Green Succeeds Devitt

William C. Green, St. Paul attorney, has been appointed assistant attorney-general of Minnesota to handle insurance department matters. He succeeds Edward J. Devitt, who has gone into the navy.

Mention Guthrie for Pa. Post

Prominently mentioned as a possible choice of Governor-elect Martin of Pennsylvania as insurance commissioner of that state is W. M. Guthrie, who is head of the auditing department of Reliance Life of Pittsburgh. Mr. Guthrie is highly regarded in his company and by others in the insurance business who are acquainted with him. He has been head of the auditing department of Reliance Life for seven years. His work involves preparation of statements and tax returns.

Before joining Reliance Life he was a consulting actuary and accountant. From 1928 until 1933 he served in the Pennsylvania department first as an examiner and later as assistant chief examiner of fire insurance companies. He has been prominent in Republican party affairs for about 15 years. He attended the University of Wisconsin and following graduation was in the banking business and later in the coal industry.

Caldwell in El Paso Post for Aetna Life

J. M. Caldwell has been appointed to succeed the late Arthur L. McKnight as general agent in El Paso for Aetna Life. Mr. McKnight was killed in an automobile accident several weeks ago. The El Paso agency embraces all of New Mexico and western Texas.

Mr. Caldwell returns to Texas with a long record of accomplishment. Early in his business career he was located in Houston as group insurance representative for Aetna Life, which he joined upon his graduation from Washburn College in 1926. For the past four years Mr. Caldwell has been assistant general agent in Denver. He has been vice-president of the Denver Association of Life Underwriters for the past two

G. H. Page, Los Angeles Leader, Is Dead

George H. Page, 65, manager at Los Angeles of California-Western States Life, and one of the outstanding life insurance men of southern California, died Saturday at St. Vincent's Hospital, after an illness of two days. He suffered a stroke in his office and was taken to the hospital.

Mr. Page was past president of the California State Association of Life Underwriters, and of the Life Insurance Managers Association of Los Angeles, was a director of the Life Underwriters Association of Los Angeles, and chairman of its legislative committee; was a member of the life insurance committee of the Los Angeles Chamber of Commerce. He took an active part during the last session of the legislature in the handling of life insurance matters before the legislature, and had been particularly active in promoting the legislative dinners that have been a part of the life insurance program for the past four years.

He was born in Nottingham, Eng., and came to Los Angeles 26 years ago with his family. His son, Gerald W. Page is associate general agent of Equitable Society.

years and has directed Community Chest drives. He has the C.L.U. designation.

Carl W. Eagle, who has been associated with Mr. Edwards for 15 years, has been appointed to agency assistant. P. L. Corbin will continue as agency supervisor for northern Colorado.

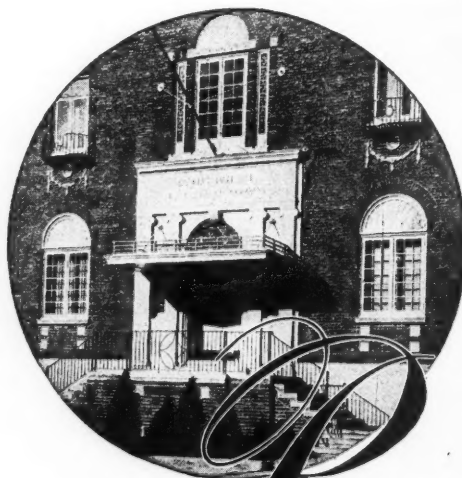
Hear Talk on Revenue Act

Wendell Rogers, Minneapolis attorney, explained the 1942 revenue act to the Home Office Life Club of the Twin Cities at a dinner meeting in Minneapolis.

Proof of Progress

We quote from the 1942 edition of Best's Life Insurance Reports:

"The Company (Bankers National Life) has been most ably managed in the interests of its policyholders, and the results achieved are well above the average for the business. In our opinion it has more than ample margins for contingencies."

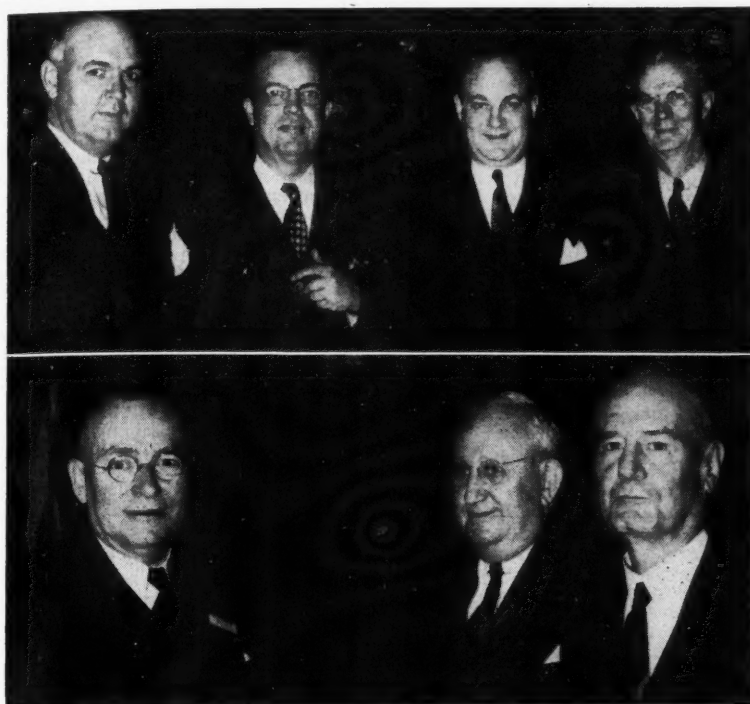


Bankers

Ralph R. Lounsbury, President
W. J. Sieger, V. P. & Supt. of Agencies

NATIONAL LIFE

Insurance Company Montclair, N. J.



GROUP AT MEETING OF INSURANCE COMMISSIONERS IN NEW YORK:
Above: Orville Ware and C. C. Klocksin, Northwestern Mutual Life; Ralph H. Kastner, American Life Convention, and J. W. Barth, Guarantee Mutual Life.
Below: Deputy Commissioner Gough, New Jersey; George Merigold, Prudential, and President E. J. Heppenheimer of Colonial Life.

Text of Guertin Committee Laws

(CONTINUED FROM PAGE 2)

cluding any existing paid-up additions, decreased by any indebtedness to the company on the policy.

Non-forfeiture Benefit

4. Any paid-up non-forfeiture benefit available under the policy in the event of default in a premium payment due on any policy anniversary shall be such that its present value as of such anniversary shall be at least equal to the cash surrender value then provided for by the policy or, if none is provided for, that cash surrender value which would have been required by this act in the absence of the condition that premiums shall have been paid for at least a specified period.

5. The adjusted premiums for any policy shall be calculated on an annual basis and shall be such uniform percentage of the respective premiums specified in the policy for each policy year that the present value, at the date of issue of the policy, of all such adjusted premiums shall be equal to the sum of (i) the then present value of the future guaranteed benefits provided for by the policy; (ii) 2 percent of the amount of insurance, if the insurance be uniform in amount, or of the equivalent uniform amount, as hereinafter defined, if the amount of insurance varies with duration of the policy; (iii) 40 percent of the adjusted premium for the first policy year; (iv) 25 percent of either the adjusted premium for the first policy year or the adjusted premium for a whole life policy of the same uniform or equivalent uniform amount with uniform premiums for the whole of life issued at the same age for the same amount of insurance, whichever is less. Provided, however, that in applying the percentages specified in (iii) and (iv) above, no adjusted premium shall be deemed to exceed 4 percent of the amount of insurance or level amount equivalent thereto. The date of issue of a policy for the purpose of this section shall be the date as of which the rated age of the insured is determined.

In the case of a policy providing an amount of insurance varying with duration of the policy, the equivalent level amount thereof for the purpose of this section shall be deemed to be the level

amount of insurance provided by an otherwise similar policy, containing the same benefit or benefits, if any, issued at the same age and for the same term, the amount of which does not vary with duration and the benefits under which have the same present value at the inception of the insurance as the benefits under the policy.

Adjusted Premiums

All adjusted premiums and present values referred to in this act shall be calculated on the basis of the commissioners 1941 standard ordinary mortality table for ordinary insurance and the 1941 standard industrial mortality table for industrial insurance and the rate of interest, not exceeding 3½ percent per annum, specified in the policy for calculating cash surrender values and paid-up non-forfeiture benefits. Provided, however, that in calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a non-forfeiture benefit, the rates of mortality assumed may be not more than 130 percent of the rates of mortality according to such applicable table. Provided, further, that for insurance issued on a substandard basis, the calculation of any such adjusted premiums and present values may be based on such other table of mortality as may be specified by the company and approved by the commissioner.

6. Any cash surrender value and any paid-up non-forfeiture benefit, available under the policy in the event of default in a premium due at any time other than on the policy anniversary, shall be calculated with allowance for the lapse of time and the payment of fractional premiums beyond the last preceding policy anniversary. All value referred to in sections 3, 4 and 5 may be calculated upon the assumption that any death benefit is payable at the end of the policy year of death. The net value of any paid-up additions, other than paid-up term additions, shall be not less than the dividends used to provide such additions. Notwithstanding the provisions of section 3, additional benefits payable (a) in the event of death or dismemberment by accident or accidental means, (b) in the event of total and permanent disability,

Move Over, Billionaires

At the close of the first half of 1942, we were within sixty million dollars of having a billion dollars of Life Insurance in force.

Thus it will not be long before we join that select group of Companies in the billion dollar class. It could happen during the last half of 1942, certainly by early 1943.

The thought about it that gives us the greatest satisfaction is the security that Life Insurance means to the people who own it.

The
**NATIONAL LIFE
AND ACCIDENT
Insurance Company, Inc.**

C. A. CRAIG, Chairman of the Board C. R. CLEMENTS, President
HOME OFFICE NATIONAL BLDG.
NASHVILLE TENNESSEE

(c) as reversionary annuity or deferred reversionary annuity benefits, (d) as decreasing term insurance benefits provided by a rider or supplemental policy provision to which, if issued as a separate policy, this act would not apply, and (e) as other policy benefits additional to life insurance and endowment benefits and premiums for all such additional benefits, shall be disregarded in ascertaining cash surrender value and non-forfeiture benefits required by this act, and no such additional benefits shall be required to be included in any paid-up non-forfeiture benefits.

Exceptions Are Stated

7. This act shall not apply to any reinsurance, group insurance, pure endowment, annuity or reversionary annuity contract, nor to any term policy of uniform amount, or renewal thereof, of 15 years or less expiring before age 66, for which uniform premiums are payable during the entire term of the policy, nor to any term policy of decreasing amount on which each adjusted premium, calculated as specified in section 5, is less than the adjusted premium, so calculated, on such 15-year term policy issued at the same age and for the same initial amount of insurance, nor to any policy which shall be delivered outside this state through an agent or other rep-

resentative of the company issuing the policy.

8. All acts and parts of acts inconsistent with this act are hereby repealed as of the effective date of this act. This act shall take effect Jan. 1, 1944, provided, however, that upon application of any company, the commissioner, for good cause shown, may defer the effective date of this act, with respect to such company, to any date not later than Jan. 1, 1946.

Standard Valuation Law

Then there is the proposed standard valuation law:

1. This act shall be known as the standard valuation law.

2. The commissioner shall annually value, or cause to be valued, the reserve liabilities (hereinafter called reserves) for all outstanding life insurance policies and annuity and pure endowment contracts of every life insurance company doing business in this state, and may certify the amount of any such reserves, specifying the mortality table or tables, rate or rates of interests and methods (net level premium method or other) used in the calculation of such reserves. In calculating such reserves, he may use group methods and approximate averages for fractions of a year or otherwise. In lieu of the valuation of the reserves herein required of any foreign or alien company, he may accept any valuation made, or caused to be made, by the insurance supervisory official of any state or other jurisdiction when such valuation complies with the minimum standard herein provided and if the official of such state or jurisdiction accepts as sufficient and valid for all legal purposes the certificate of valuation of the commissioner when such certificate states the valuation to have been made in a specified manner according to which the aggregate reserves would be at least as large as if they had been computed in the manner prescribed by the law of that state or jurisdiction.

3. The minimum standard for the valuation of all such policies and contracts issued prior to the effective date of this act shall be that provided by the laws in effect immediately prior to such date. The minimum standard for the valuation of all such policies and contracts issued on or after the effective date of this act shall be the commissioners reserve valuation method defined in section 4, $3\frac{1}{2}$ percent interest, and the following tables:

Ordinary Mortality Table

(a) For all ordinary policies of life insurance issued on the standard basis, excluding any disability and accidental death benefits in such policies—the commissioners 1941 standard ordinary mortality table.

(b) For all industrial life insurance policies issued on the standard basis, excluding any disability and accidental death benefits in such policies—the 1941 standard industrial mortality table.

(c) For annuity and pure endowment contracts, excluding any disability and accidental death benefits in such policies—the 1937 standard annuity mortality table.

(d) For total and permanent disability benefits in or supplementary to ordinary policies or contracts—class (3) disability table (1926) which, for active lives, shall be combined with a mortality table permitted for calculating the reserves for life insurance policies.

(e) For accidental death benefits in or supplementary to policies—the inter-company double indemnity mortality table combined with a mortality table permitted for calculating the reserves for life insurance policies.

(f) For group life insurance, life insurance issued on the sub-standard basis and other special benefits—such tables as may be approved by the commissioner.

Reserve Valuation Method

4. Reserves according to the commissioners reserve valuation method, for the life insurance and endowment benefits of policies providing for a uniform amount of insurance and requiring the payment of uniform premiums shall be

the excess, if any, of the present value, at the date of valuation, of such future guaranteed benefits provided for by such policies, over the then present value of any future modified net premiums therefor. The modified net premiums for any such policy shall be such uniform percentage of the respective contract premiums for such benefits that the present value, at the date of issue of the policy, of all such modified net premiums shall be equal to the sum of the then present value of such benefits provided for by the policy and the excess of (a) over (b), as follows:

(a) A net level annual premium equal to the present value, at the date of issue, of such benefits provided for after the first policy year, divided by the present value, at the date of issue, of an annuity of one per annum payable on the first and each subsequent anniversary of such policy on which a premium falls due; provided, however, that such net level annual premium shall not exceed the net level annual premium on the 19-year

premium whole life plan for insurance of the same amount at an age one year higher than the age at issue of such policy.

(b) A net one-year term premium for such benefits provided for in the first policy year.

Reserves according to the commissioners reserve valuation method for (1) life insurance policies providing for a varying amount of insurance or requiring the payment of varying premiums, (2) annuity and pure endowment contracts, (3) disability and accidental death benefits in all policies and contracts, and (4) all other benefits, except life insurance and endowment benefits in life insurance policies, shall be calculated by a method consistent with the principles of the preceding paragraph.

5. In no event shall a company's aggregate reserves for all life insurance policies, excluding disability and accidental death benefits, issued on or after the effective date of this act, be less than the aggregate reserves calculated in ac-



★ THIS WEEK WE ENJOYED A GOOD DAY WITH RUSSELL MOORE AND HOWARD KRAFT OF THE MIDLAND MUTUAL. The company is cooperating in the "Tax Refresher Course" which Mr. Palmer's Division will conduct early next year.

SPEAKING OF TAXES, last week R & R's always capable Milt Elrod talked to the Dayton Association on current tax problems and then helped "Dinty" Moore with the Toledo Advanced School. Milt prepared a sound analysis of the new act.

TODAY I WOULD LIKE TO SHAKE HANDS WITH E. M. SAWYER, FRANK HELVIE, A. C. UTTER, J. E. LITTLE, F. A. SMART, J. HEATHCOTE AND WILLARD EWING for these were the first of our folks to order Christmas gift copies of "Cordially Yours."

VARIED INDEED ARE THE REACTIONS on the "Harry Hopkins Letter," (December's "Management Plans"). Some say "Fools rush in, etc." Others say, "You've stuck your neck out beautifully, fellow, but some one had to call for station identification." Ditto the last line of the second paragraph.



PAUL SPEICHER
Managing Editor
**THE INSURANCE
RESEARCH & REVIEW SERVICE**
INDIANAPOLIS

We are at war. We have long since ceased to think of our own lives as important except as they are dedicated to the service of our Country. As fighters and workers, we have but one common cause today.

We are determined to preserve that security, our right to life, liberty and the pursuit of happiness. We can't all take up arms in its defense, but we all can contribute to Victory, and the peace which is to be.

Buy all the War Bonds you can.

Own all the Life Insurance you need.



**GREAT SOUTHERN
LIFE INSURANCE COMPANY**

E. P. Greenwood, President

Home Office

Houston, Texas

cordance with the method set forth in section four and the mortality table or tables and rate or rates of interest used in calculating nonforfeiture benefits for such policies.

6. Reserves for all policies and contracts issued prior to the effective date of this act may be calculated, at the option of the company, according to any standards which produce greater aggregate reserves for all such policies and contracts than the minimum reserves required by the laws in effect immediately prior to such date.

Reserves for any category of policies, contracts or benefits as established by the commissioner, issued on or after the effective date of this act, may be calculated, at the option of the company, according to any standards which produce greater aggregate reserves for such category than those calculated according to the minimum standard herein provided, but the rate or rates of interest used shall not be higher than the corresponding rate or rates of interest used in calculating any non-forfeiture benefits provided for therein. Provided, however, that reserves for participating life insurance policies issued on or after the effective date of this act may, with the consent of the commissioner, be calculated according to a rate of interest lower than the rate of interest used in calculating the non-forfeiture benefits in such policies, with the further proviso that if such lower rate differs from the rate used in the calculation of the non-forfeiture benefits by more than $\frac{1}{2}$ percent the company issuing such policies shall file with the commissioner a plan providing for such equitable increases, if any, in the cash surrender values and non-forfeiture benefits in such policies as the commissioner shall approve.

May Go to Lower Basis

Any such company which at any time shall have adopted any standard of valuation producing greater aggregate reserves than those calculated according to the minimum standard herein provided may, with the approval of the commissioner, adopt any lower standard of valuation, but not lower than the minimum herein provided.

7. If the gross premium charged by any life insurance company on any policy or contract is less than the net premium for the policy or contract according to the mortality table, rate of interest and method used in calculating the reserves thereon, there shall be maintained on such policy or contract a deficiency reserve in addition to all other reserves required by law. For each such policy or contract the deficiency reserve shall be the present value, according to such standard, of an annuity of the difference between such net premium and the premium charged for such policy or contract, running for the remainder of the premium-paying period.

8. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed as of the effective date of this act. This act shall take effect Jan. 1, 1944.

Agents May Get Forms Used Under Relief Act

Life insurance agents and agency directors are entitled to have a supply of the application forms necessary in connection with Title IV of the Soldiers' and Sailors' Civil Relief Act, it has been announced.

The forms, officially known as Veterans Administration Form 380, are obtainable from H. L. McCoy, director of insurance, Veterans Administration, Washington. Agents can assist selectees in execution of the forms, which are necessary to secure inclusion of the service man's life insurance policies under the civil relief act. The forms after being filled in should not be signed by the selectee until he gets into active military service. They should then be released through military agencies, one copy going to the insurer and the other to the director of insurance at the Veterans Administration.

Buys Large Block of War Bonds at Dallas



T. L. Bradford, Jr., vice-president and treasurer of Southwestern Life, (left), is shown purchasing \$4,000,000 of government bonds from J. S. James, Jr., an executive officer of the Federal Reserve Bank in Dallas, in connection with the recent victory bond campaign there. The investment brings to a total of more than \$14,000,000 the purchase by Southwestern Life of such bonds since Pearl Harbor.

Continental Group Men Are Advanced

Continental Assurance has promoted Paul H. Rinker to assistant vice-president in charge of group operations and Robert W. Weddell to assistant vice-president in charge of production. The promotions follow the recent death of Bert C. Markle, who had headed the group department of the company since its inception 12 years ago. Messrs Rinker and Weddell have played an important part in the development of the substantial group business which Continental Assurance has on its books.

Except for a short period in the auto liability department of Royal in Chicago, Mr. Rinker's entire business career has been with the Continental Assurance, which he joined in 1925 in the actuarial department. He became assistant superintendent of the collection department in 1927 and 10 years later manager of group records, retaining that position until Mr. Markle's death.

Mr. Weddell entered insurance in 1927 with Missouri State Life as group representative. When that company was absorbed by General American Life, he was advanced to supervisor of group sales. He joined Continental in 1937 as supervisor of the group agency department and was promoted to manager of group sales in 1939.

Ready for Trustees Rally

NEW YORK—All but two of the National Association of Life Underwriters trustees are expected to be on hand for the meeting here Friday and Saturday of this week and by the middle of the week a number of officers and trustees were in the city. President Grant Taggart, Vice-president H. A. Hedges, and Secretary W. H. Andrews, Jr., have arrived and Treasurer Walter Barton is a New Yorker. The two trustees who will be unable to attend are Roy Ray Roberts, State Mutual Life, Los Angeles, and H. L. Rogers, manager Equitable Society, Indianapolis.

Recruiting Women Agents

Peninsular Life of Jacksonville, Fla., built up a hard hitting industrial organization of young men and now it finds its forces badly shattered because of war service. President L. F. Lee is now recruiting a number of women agents and is confident that they will make a success in their work. If they develop as he hopes they will be continued permanently.

BUILD YOUR OWN AGENCY IN 1943

When today's wartime "business as UNusual" gives way to a victorious "business as usual," be ready to cash in on the new opportunities in life insurance selling.



This is the time for self-appraisal... time to evaluate your outlook for future success... time, perhaps, to start building your own agency!

Such an opportunity is being offered to qualified applicants—in a number of choice locations—by a nationally-known, old-line legal reserve company with more than a half-billion of Life, Accident & Health, and Group Insurance in force.

Consideration will be given only to "family" men between the ages of 35 and 50—preferably with children—who can present evidence of satisfactory personal production.

In your letter of application, please give a complete history of experience, age, family status, and paid volume record for past two years

Opportunity is knocking at your door—perhaps the very one you've been waiting for. Write today.



AGENCY-BUILDING OPPORTUNITIES ARE OFFERED IN THE FOLLOWING LOCATIONS:

MICHIGAN: Detroit • INDIANA: Indianapolis, Evansville.

OHIO: Cleveland, Toledo, Cincinnati, Akron, Dayton.

PENNSYLVANIA: Philadelphia, Erie, Harrisburg.

Write: Box Q-82, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

INSURANCE MEN IN ARMED SERVICES

John Ford, chief underwriter in the accident and health department of Pacific Mutual Life, has been inducted into the army.

J. M. Mitchell, assistant general agent of Aetna Life in San Francisco, has received his commission as a lieutenant in the coast guard and will leave this week for active duty. He served as a lieutenant and later as a captain of field artillery in the former war, seeing action in four major engagements in France.

William Fortmuller of the treasurer's staff of Pacific Mutual Life has been inducted into service and will report for duty at Ft. McArthur.

C. W. Daugette, Jr., formerly an agent of Protective Life, has been promoted to lieutenant-colonel of infantry and is now stationed at Ft. Breckenridge, Ky. Lt. Col. R. M. Goodall, Jr., also of Protective Life, is now on duty overseas.

Arthur C. Hoene of Duluth, general agent for Northwestern Mutual Life, has six of his nine sons in the service. The last to "join up" is David, who chose the navy. His brothers who are now serving in the armed forces are: Howard, who is in the army at Omaha; William, army at Notre Dame; Thomas, navy at Marquette University, Milwaukee; Ensign Phillip at Norfolk, Va.; and Arthur, Jr., coast guard somewhere in the Pacific.

Four men agents of the **Reuling & Williamson** agency of Massachusetts Mutual at Peoria, Ill., are in service. Maj. C. F. Russell, formerly at Danville, is in foreign service as a member of an artillery unit. Lt. J. G. Williams, formerly in Decatur, is in the service of supply at Norfolk, Va. Ensign R. W. Leu, outstanding agent at Peoria, was assigned to the navy yard at Bremerton, Wash. First Lt. T. G. Graham, Danville, is assistant medical supply officer at Ashford General Hospital, White Sulphur Springs, W. Va.

Corp. Marcus Rosenfeld, formerly a star producer in the Robert Ginsburg agency of Federal Life in St. Louis and the first Federal field man to enter the army, is now with the hospital corps at Camp Blanding, Fla., working in the administration and personnel office. One of his duties is to make out applications for government life insurance.

Samual Ritacco, agent of the LaSalle ordinary agency of Prudential in Chicago, has enlisted in the army although he is the head of a family and the father of two children, and will report for duty as a corporal in the ordnance division about Jan. 1. E. J. Hennesey, who has been connected with the agency for 10 years, will service his business. Mr. Ritacco served for 27 months in the first world war.

Dr. J. E. Bee, medical director of Kansas City Life, reported Thursday, at Washington as lieutenant commander in the naval reserve for his assignment. Since Commander Bee was granted a leave of absence he retains his status as medical director of the company. However, these duties will be carried out by Dr. Edward L. Mathias, assistant medical director. Dr. Bee became associate medical director of Kansas City Life in 1934, and was advanced to medical director in 1940. He is the first executive officer of Kansas City Life to join the armed forces.

Wayne C. Hammond, district manager of Equitable Society at Canton, O., has been commissioned a second lieutenant in coast artillery and stationed at Camp Stewart, Georgia.

Lieut. L. Bush Lamb, former special agent of Mutual Benefit Life at Davenport, Ia., has been reported missing in action in the North Africa campaign. He was an outstanding football and track star at the University of Iowa and was in the insurance business at Clinton, Ia., at one time.

G. A. Reem, for many years Detroit general agent of State Mutual Life, has

Joins Marines



RICKS STRONG

Ricks Strong, general agent of John Hancock Mutual Life in Dallas, has been called to active duty Jan. 3 in the marine corps, in which he is a reserve first lieutenant. He has been in life insurance more than 20 years and was formerly with General American Life in Dallas. He is a former president of the Texas Association of Life Underwriters and is now national committee-man of the Dallas association.

taken a duration leave of absence and reported at Great Lakes Naval Training Station for active duty as lieutenant commander. He has long been an ardent yachtsman. His agency tops all State Mutual offices this year.

Leon H. Braskamp of the San An-

tonio agency of Great Southern Life is now serving in the coast guard at Alameda, Cal.

Thornton Ellis, Houston, Tex., cashier of Equitable Society, is in the army. **Will Catterton**, one of the leading producers of the Houston agency, is a lieutenant.

William Tolleson, Equitable Society group department supervisor, Dallas, is now in service.

Paul D. Southern, board chairman and immediate past president of the Ft. Wayne (Ind.) Association of Life Underwriters, has been commissioned a first lieutenant in coast artillery and will go on active duty Dec. 26.

Frank B. Ragsdale, former associate manager of Security Life & Accident in Waco, Tex., is a second lieutenant in the medical administration corps at St. Louis.

Lieut. G. Archie Helland, San Antonio general agent of Connecticut Mutual Life, stationed at Brooks Field, has been promoted from second to first lieutenant.

H. S. Weatherford, district manager for George Washington Life at Charleston, W. Va., reported for duty in the army at Fort Thomas, Ky., Thursday of this week.

The service flag which hangs between two large Prudential buildings in Newark now shows 2,385 employees in the service.

Franklin E. Herb, general agent of Penn Mutual Life in Salt Lake City, has been commissioned a lieutenant in the navy. He is a veteran of the first world war. He went to Salt Lake from the home office in 1938. He has been president of the Utah Life Managers Association, president of the Salt Lake C. L. U. chapter and a member of the executive committee of the Salt Lake Association of Life Underwriters.

C. L. Ives, manager of the Retail Credit Company, addressed San Antonio Association of Life Office Cashiers.

The **Milwaukee Life Insurance Cashiers Association** held a Christmas party Dec. 8, opening with a dinner.

Stever Million Dollar Chairman

Ron Stever, district manager for Equitable Society at Pasadena, has been elected chairman of the Million Dollar Round Table of the National Association of Life Underwriters, it is an-



RON STEVER

nounced by Robert P. Burroughs, National Life, Manchester, N. H., retiring chairman who conducted the election.

Mr. Stever's associates on the executive committee will be Alfred J. Ostheimer, III, Northwestern Mutual, Philadelphia, and John E. Clayton, Massachusetts Mutual, Newark.

Since the Round Table did not hold its customary annual meeting in 1942, the election was conducted by mail ballot. Mr. Stever is the seventeenth chairman of the round table, which was organized at Memphis in 1927.

The **Accident & Health Bulletins** help get business. For information write 420 E. Fourth St., Cincinnati.

A FULL LINE OF Policy Contracts

Commonwealth Life writes persons from birth to age 65. Always in step with the times, the Company makes frequent policy combinations to create attractive new contracts. Its latest is the Double Dollar policy designed to fill the needs of present day living conditions.

Commonwealth Life's gain in insurance in force during the first eight months of 1942 was 18.7% above the same period last year.

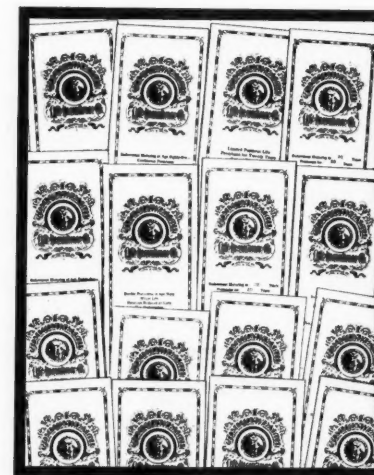
L. G. Russell
Mgr. Ind. Agency Dept.

W. R. Davis III
Agency Sec'y Ord. Dept.

Commonwealth Life

MORTON BOYD, PRESIDENT

HOME OFFICE LOUISVILLE



The successful agent
is the equipped agent



AT MEETING OF INSURANCE COMMISSIONERS IN NEW YORK:

Commissioners Fraizer of Nebraska, Thompson of Oregon and Perkins of Maine and Commissioner Rummage of Arizona and George Bushnell, Arizona actuary.



Sanford Chief Examiner of Michigan Department

LANSING—L. H. Sanford, acting chief examiner of the Michigan department, has been named to the combined positions of chief examiner and second deputy commissioner. The appointment fills a vacancy existing since the recent resignation of Jay C. Ketchum, who has become permanent executive director of the Michigan Medical Service, Detroit. Mr. Ketchum has been away from the department for some months on leave of absence while directing affairs of the medical service.

Mr. Sanford was second deputy from March, 1937, to October, 1939, and has been for years with the examining staff. He left the department in 1939 to go with Mid-America of Detroit, organized by C. M. Verbiest, but left that concern when its offices were moved to Chicago, becoming connected with C. M. Verbiest & Associates, a Detroit agency. From that affiliation he went to the Michigan Medical Service where he was associated for a time with Mr. Ketchum, returning to the department as acting chief examiner last June.

Seek Compromise on Taxing Proceeds

(CONTINUED FROM PAGE 3)

pension trust must meet three tests: First, it must distribute the corpus and income to employees and beneficiaries; second, none of the principal or income can be diverted until all obligations and liabilities of the trust have been discharged; and third, after excluding employees with less than five years service and part-time employees, at least 70 per cent of the remaining employees must be eligible and at least 80 per cent of this 70 per cent must be participants.

Nevertheless the commissioner may set aside these qualifications and grant the tax exempt status if he considers the plan as non-discriminatory. A plan designed to supplement social security benefits is not construed as discriminatory merely because it excludes those earning less than \$3,000 a year.

Mr. Morton pointed out that to avoid being held discriminatory a pension plan must not be confined to officers and shareholders, to purely supervisory personnel or to the very high type and highly paid employees. In connection with supervisory employees he said that apparently the Treasury intends to construe this rather reasonably. That is, a man who did his own work but did some supervising would not be regarded as a purely supervisory employee.

Feels Policies Meet Test

As far as the percentage of payroll allowable as a deduction is concerned, there is not much to worry about if insurance policies are the basis of the plan. The limit is 5 per cent of payrolls for current benefits plus whatever additional amount is necessary to cover the past service liability on an actuarially sound basis. Insurance and annuity policies will probably be regarded by the Treasury as meeting this qualification.

Another qualification is that if more than 50 per cent of the cost of the plan is on account of three or less employees then the excess over 50 per cent must be spread over five years rather than being taken in the year when the premium payment is made.

Mr. Morton sought to dispel the impression that the life insurance business went after certain objectives in the new tax law and got most of them. The new law is definitely less liberal than the old one, though it is much better than the Treasury's proposals. He particularly took issue with the life insurance credit in the victory tax as constituting a stamp of approval for life insurance. He pointed out that everyone gets the credit under the victory tax but that those who pay for life insurance, buy war bonds, or pay off debts can anticipate the credits rather than waiting until after the war.

Mr. Morton also took issue with the tendency to minimize the importance of

the revenue act's provision which denies an income tax deduction for interest paid to purchase or carry paid up life insurance. As a matter of principle, he said, something has been lost. He predicted that there will be many questions as to what a single premium policy is. He pointed out that the law says that any with less than four premiums to pay is a single premium policy. He wondered what would be the status of an ordinary life policy on which the insured borrowed money to change it to a 10-payment life and then put the new policy on the paid up basis. Mr. Morton said he believed that it would probably be held to be single premium insurance.

Answering a question as to what effect the Beveridge committee report would have on English life companies and the possibility that a similar plan might sometime be adopted in this country, Mr. Morton said that as far as ordinary insurance is concerned relatively little is sold in England, most insured buying either annuities or short term endowments or else industrial life policies. As far as similar changes in the United States are concerned, he said that "we are going through social changes and we have got to face them here in that light and not look for changes to put conditions back to what they were before." He said that there is no point in bucking these trends or pretending that they do not exist. The proper course is to act in the light of these changes and make the best of them, he said.

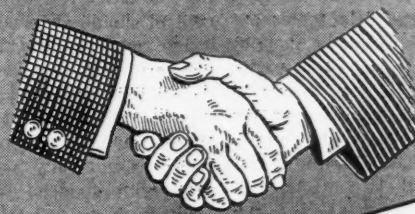
but when they return to the home area they will not be protected for six months.

Iowa Department Adopts Stand on War Clause

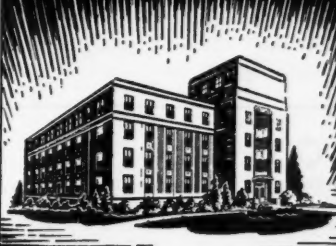
DES MOINES—The Iowa department is requiring life companies to make war risk riders conform to the standard recommended by the National Association of Insurance Commissioners, and several companies will have to make minor changes. The department is checking all riders previously approved and those found not conforming with the commissioners' recommendations are being returned.

The Iowa department's interpretation is that there should be no war restrictions or exclusions where the cause of death arises in the home area, but exclusions or restrictions may apply in the event of death occurring outside the home area while in the military, naval or air forces of any country at war. Some companies have attempted to add restrictions for six months after discharge from service at home, but this is not being approved by the Iowa department.

Another controversy that has arisen is over the provision in the National association's recommendations that permits restrictions while in the military service of any country at war. It is argued that as soon as the war is over all the soldiers in occupied or other foreign countries will then be protected by their life policies carrying war clauses,



*"A Friendly Group
to Join for
Steady Progress"*



THE
OHIO NATIONAL
LIFE INSURANCE
COMPANY

CINCINNATI, OHIO T. W. APPLEBY, President

EDITORIAL COMMENT

A Chance to Answer the Critics

Action of the National Association of Insurance Commissioners in unaniously approving the Guertin report on non-forfeiture benefits and policy valuations was a progressive step of the greatest importance to the insurance business and to no group is it of greater interest than to the producing forces. It is they who have had to listen to criticisms, sincere and otherwise, of the use of an obsolete mortality table. There has been the complicated and difficult job of explaining that substitution of a modern mortality basis for the American Experience table would make little if any difference in the cost of insurance. The layman soon became lost in what sounded like actuarial double-talk but usually clung to his firm conviction that the policyholder was the victim of some sort of legalized flim-flam game.

Better than anyone else in the life insurance business, the field forces are in a position to influence public thought and legislative action toward the speedy enactment of the Guertin proposals in the various states by arming themselves with a grasp of its essentials and by displaying an enthusiasm for the measure in talking with their contacts.

The Guertin proposal has the full support of the Life Presidents Association and the American Life Convention and in talking with members of the public it is well to stress the fact that the companies are actively interested in promoting the change. While the commissioners, in approving the Guertin report, suggested that the new basis not be made mandatory until 1948 it is not necessary to wait until the legislation is actually effective for

the companies to have the well deserved credit of backing an important progressive move. If properly presented to the public, the mere fact that the new basis is in the offing should result in a highly favorable reaction. It should dispel not only the argument that companies persist in clinging to an outworn mortality basis but also the tendency to feel that life companies are unresponsive to public sentiment.

Early enactment of the Guertin proposal will do much to off-set the possible argument that getting the necessary state laws passed will take so long that it would be better if such matters were under federal rather than state control. The greater the speed with which the Guertin proposal can be enacted into law, the less the danger that influential leaders outside the insurance business will contend that state regulation is too unwieldy and that federal control should supersede it.

The main points about the Guertin plan are, first, that it will base mortality on modern experience; second, that it will produce greater equity as between young and old policyholders, which is not fully accomplished today even with dividend scales adjusted to bring it about; and third, greater equity as between withdrawing and persisting policyholders.

Naturally, it is not to be expected that the rank and file of agents will be able to give any great amount of time to the active promotion of the needed legislation. Nevertheless, in the aggregate they can do much to sway public opinion by understanding the plan and talking it up when they have the chance.

Life Insurance's Contribution to the War

So many advertisers have overemphasized their contribution to the war effort when there was little basis for this bragging that the public is very near the saturation point for any talk about contributions, according to public opinion surveys. Life insurance men are doing a lot more to help the war effort and keep essential civilian activities going than many other business men but apparently the public's temper is such that it considers any "contribution" pretty tame alongside what the men on the firing line are contributing.

Important as life insurance is to the war and to the civilian morale, life insurance men can't expect the public to re-

gard the sale of more life insurance as a definite contribution to the winning of the war. The important thing is to win the war and fortunately the agent can help a great deal in that direction and also reflect much credit on himself and the entire life insurance business if he refuses to regard life insurance sales as the sole contribution he can make toward victory.

Many agents are already promoting the sale of war bonds. This work is highly essential to winning the war. In addition, the life insurance man can plunge wholeheartedly into civilian defense activities. There is plenty of work to be done and all these activities need

men who are accustomed to dealing with people in a friendly, persuasive way.

No matter how good a job of life insurance selling the business does, it is obvious that the public is not going to give that fact much weight when thinking of the business's contribution to win-

ning the war. The place of the life insurance business in the war effort is going to be judged by the sum total of what individual life insurance men—in the home offices as well as in the field—contribute above and beyond the call of their regular duties.

PERSONAL SIDE OF THE BUSINESS

Edward H. Keating, Equitable Society manager in Minneapolis, has been appointed chairman of the employers committee of the Minneapolis war savings staff. He will direct the payroll savings plan in Minneapolis.

Frank E. Garey, district agent of Equitable Life of Iowa, has been named executive manager of the Victory Fund organization in Lincoln, Neb., and will devote his time to office organization, promotional activities and business contacts in connection with the sale of war bonds.

S. L. Yocum, general agent of Midland Mutual at Hamilton, O., has passed his 18th year of weekly production.

Howard R. Urmston, manager of the estate planning department of the W. T. Earls agency of Connecticut Mutual Life in Cincinnati, has received a special award from the home office for proficiency in advanced underwriting. He attained a 98 percent average in a rigid examination prior to award of the certificate.

Carl W. Kleifgen, St. Paul manager of Metropolitan Life, has been elected president of the Cooperative Club of St. Paul.

President **Ralph R. Lounsbury** of Bankers National Life made a flying trip to Los Angeles to visit his daughter, whose husband is an ensign in the navy. He arrived in the morning by plane, saw his daughter, left that evening by plane and the daughter left the same evening for her former home in New Jersey.

Gen. **Charles R. Boardman**, veteran president of Wisconsin National Life, was honored by his Masonic lodge with a 50-year membership certificate and a gift. The ceremony took place in his office.

W. T. Grant, president of Business Men's Assurance, has completed a successful term as president of the Kansas City, Mo., Chamber of Commerce, and he retired from that office. **J. C. Higdon**, vice-president of the company was elected vice-president and a director of the chamber.

E. H. Sessamen, Provident Mutual Life, Birmingham, an official of the Birmingham Association of Life Underwriters, has been elected president of the Birmingham Council of Boy Scouts.

Fred W. Fort, Jr., of Travelers' Newark branch office in the last year has sold approximately \$5,000,000 in war bonds through appearing before industrial plants and civic organizations as chairman of the speakers division of the Newark war savings committee.

Francis V. Keesling, president West Coast Life, has been elected treasurer of the Masonic grand lodge of California. Mr. Keesling has been active in Masonry for many years and served as

grand master of the grand lodge in 1916-17.

Charles Mehlman, vice-president and actuary Security Life & Accident, was married to Miss Jean Charlton in Denver.

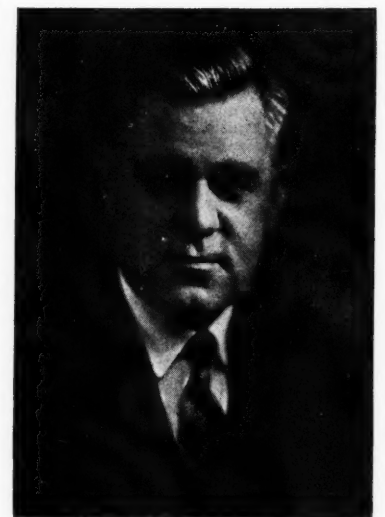
Miss Lucille Dorothy Coombs, daughter of **Ralph R. Coombs**, assistant to the president of Massachusetts Mutual Life, and Mrs. Coombs, was married to Lt. Ray A. Johnson, Jr., signal corps, U.S.A., in her parents' home at Springfield. Mrs. Johnson will continue her work with Monsanto Chemical Co., while her husband is in the service. She was graduated from Smith College in 1941.

Dr. Cleveland H. Shutt, vice-president and medical director of St. Louis Mutual Life, has been elected president of the Missouri state board of health.

DEATHS

Provident Mutual Life Detroit Leader Dies

D. T. MacKinnon, 51, with the Reese agency of Provident Mutual Life, in Detroit, for 20 years, died there after an extended illness. One of the compara-



D. T. MacKINNON

tively few men who have qualified as counsellors under Michigan's counsellors' law, Mr. MacKinnon was a leading producer of the Reese agency for many years and was a member of the Million Dollar Round Table for several years.



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AT THE ANNUAL MEETING OF INSTITUTE OF LIFE INSURANCE, IN NEW YORK:

Top—left to right: Gerard S. Nollen, President Bankers Life of Iowa, reelected chairman; George L. Harrison, president New York Life, new director, and John A. Stevenson, president Penn Mutual Life, reelected to the board.

Below—Leroy A. Lincoln, president Metropolitan Life, who was elected to institute executive committee; Ray Murphy, vice-president Equitable Life of New York, and C. S. V. Branch, vice-president Sun Life of Canada.

He was also past president of Qualified Life Underwriters of Detroit.

John J. Valentine, 57, former manager in San Francisco of Occidental Life and for the past few years one of the company's leading producers, died there. He started in life insurance in 1920 with Equitable Society under the late A. M. Shields. After Mr. Shields' death Mr. Valentine was appointed a unit manager under the late B. F. Shaprow, who developed the unit system in life sales organizations. He developed and maintained one of the largest and most successful units the Equitable had in the west. He went with Occidental in 1937.

Dan M. Hildebrand, 62, vice-president and a director of Midwest Life of Nebraska, died at his home in Seward, Neb., from a heart attack. He also was president of Protective Mutual Fire of Seward. For years he was president of the United States Livestock Association, and was formerly a director of the Omaha Federal Reserve Bank.

Lieut. James G. Surges, who was with the Milwaukee office of New York Life before entering the army in July, 1940, was killed in action as an army air force pilot over western Europe.

Mrs. Will S. Thompson, wife of the president of Great American Life, died at her home in Hutchinson, Kas., following a prolonged illness during much of which she was bedfast. Funeral services were attended by a host of long time friends as Mr. Thompson has been identified with civic, political and church affairs and the insurance business there for nearly a half century. The Will S. Thompson Agency, now the Will S. Thompson-Kline Agency is one of the older local agencies in the state.

The **Accident & Health Bulletins** help get business. For information write 420 E. Fourth St., Cincinnati.

COMPANIES

Colonial Life Makes Promotions at Home Office

A number of promotions have been made by Colonial Life following the retirement of E. B. Griffith and Hugh Matheson as assistant secretaries.

C. A. Herschel and W. C. McFeely are appointed assistant secretaries. Mr. Herschel has been manager of the industrial policy department and Mr. McFeely office supervisor. F. G. Thompson, assistant secretary, is also named agency supervisor. W. R. Haile, assistant agency supervisor, is promoted to agency supervisor, and J. J. Raidy, formerly manager industrial underwriting department, is now supervisor field service.

Mr. Herschel is a graduate of the University of Pennsylvania and joined Colonial Life in 1931. He is assistant secretary-treasurer Insurance Accounting & Statistical Association. Mr. McFeely left Amherst college to serve overseas in 1917, and joined Colonial Life in 1937. After his graduation from Princeton University, Mr. Thompson went to Colonial Life in 1935 as an inspector, becoming assistant secretary in 1940.

Mr. Haile started as a clerk in 1925 and was appointed assistant agency supervisor in 1938.

Mr. Raidy's service began as an agent in 1932. He was appointed manager of the industrial underwriting department in 1939.

Sun Life of Canada Dividend

Sun Life Assurance of Canada has declared a dividend of \$3.25 per share for the quarter ended Dec. 31, payable Jan. 1 to shareholders of record Dec. 16.

A Christmas Wish

Lest some should think the traditional wish out of tune with the times, we hope that the Spirit of Christmas, emblematic of the peace and good will among men toward revival of which our nation battles, may richly bless, in this year's Christmas Season, all to whom this message shall come.

LIFE INSURANCE COMPANY of VIRGINIA

BRADFORD H. WALKER, President

Home Office: RICHMOND



"The Natural Bridge to Security"

HEARD IN A BLACKOUT

WHAT'S A MAN
TO DO WITH HIS MONEY
THESE DAYS?

RELiance HAS THE ANSWER,
BROTHER! WAR BONDS FOR
INVESTMENT--AN INCOME
REPLACEMENT* POLICY FOR
PROTECTION NOW.

*INCOME REPLACEMENT . . . Reliance Life's answer to the biggest insurance selling problem today. Smart salesmen everywhere are planning for their clients, programs that include War Bonds AND Reliance Life's Income Replacement insurance. Pays benefits from the policyholder's death until he would have been 65. YOU ought to know all the details of this new kind of Life Insurance . . . contact the nearest Reliance Life manager or write:

RELiance LIFE
INSURANCE CO. OF PITTSBURGH
Farmers Bank Building Pittsburgh, Pa.

LIFE AGENCY CHANGES

Adams Named Texas Manager of Reliance Life

V. J. Adams has been placed in charge of the Texas department of Reliance Life. He has been manager of the north Texas department in Dallas but will now move to Houston. Mr. Adams joined Reliance Life in 1918 as a general agent in Knoxville, Tenn., becoming manager of the tri-state department at Memphis that year. He was in charge of Ohio from 1920 to 1928 and then went to Los Angeles as manager of southern California. He was in charge of west coast offices for the company until 1939 when he moved to Dallas.

Bert A. Perry, who has been directing the south Texas department at Houston, is returning to San Antonio to represent the company there.

Best and Plumley to Assist Baketel in Philadelphia

Three changes in the staff of the Philadelphia agency of Union Central Life are announced by Manager H. Sheridan Baketel, Jr. Earle E. Best, formerly office manager of the Minneapolis agency, will take over the cashier's post at Philadelphia. Eli E. Plumley,



E. E. Best



E. E. Plumley

district manager of the Camden branch of the Baketel agency will become agency supervisor in Philadelphia. Ethel Coffman, associated with the agency for more than five years, has been named assistant cashier.

Mr. Best succeeds E. K. Peterson, who joined the home office staff of a Nebraska company. Mr. Plumley fills the post of C. M. Ashton, Jr., who is now a lieutenant in the navy.

Mr. Best joined Union Central in 1931 as cashier at Little Rock. Within one year he was made assistant manager. In 1934 he was appointed manager in Omaha, serving in that post until 1940 when he was named office manager in Minneapolis.

Mr. Plumley joined the Philadelphia agency in 1931. He has earned an enviable reputation as a personal producer and has qualified as a member of the \$500,000 Club. In 1934 he was appointed district manager in Camden.

McGauley Ala. Manager of Union Central Life

L. R. McGauley, president of the Birmingham Association of Life Underwriters, has been appointed Alabama manager of Union Central Life with headquarters in Birmingham, associated with Thomas N. Beach, general agent there. He succeeds J. Allen Creath, who resigned recently to become Memphis general agent of Provident Mutual Life.

Mr. McGauley has for several years been special agent of Sun Life of Canada in Birmingham.

Two Agency Heads Named by Kentucky Home Mutual

Kentucky Home Mutual has appointed two agency heads. Robert H. Kenady becomes general agent at Owensboro, Ky., and S. Martin Fryer is named Florida manager.

Mr. Kenady, a Kentuckian, was reared at Morganfield, Ky., was connected with the Kentucky highway department and entered life insurance work at Havana, Ill., later being stationed at Galesburg, Ill. Mr. Fryer was a leading producer with another company in Florida and previously was an accident and health agent.

Gygli Quits Penn Mutual as General Agent

Robert P. Gygli has resigned as general agent of Penn Mutual at Columbus, O. He intends to continue in the life insurance business but has not decided whether he will remain in Columbus or locate elsewhere. He has

Joins Reliance

Richard H. Bennett, who has just been appointed assistant manager of the mid-

western department of Reliance Life in St. Louis, had been with Metropolitan Life in the same city for the past 12 years. For eight of those years he served as an assistant manager.

In his new position he will be associated with Frank Vesser, manager of Reliance Life. Mr. Bennett has the C. L. U. designation. He was a professional baseball player before entering the life insurance business.



R. H. Bennett

made a splendid record in building the Columbus agency.

Knutson Named in Portland

Earl J. Knutson has been appointed manager for Oregon and southwest Washington by Guarantee Mutual Life of Omaha. Offices have been opened in the American Bank building, Portland, Ore.

Roberts Named in West Texas

E. H. Roberts has been appointed general agent for West Texas by Protective Life of Birmingham. He has been in life insurance since 1930.

Furman to Los Angeles

W. B. Furman, assistant under Manager J. W. Lawrence of Prudential's ordinary agency in Salt Lake City, has been transferred to Los Angeles as assistant manager of the "B" ordinary agency, devoting his full time to recruiting and training new agents, and developing old agency personnel. He will be succeeded in Salt Lake City by Milo Carlston. Mr. Furman went there in 1936 from Los Angeles. He served as president of the life underwriters association there in 1941.

Carson to San Antonio

C. C. Carson, Jr., formerly manager of the group department of the Memphis agency of Aetna Life, has been transferred to San Antonio as manager

In Dallas Post



C. W. HOLLINSHEAD

Charles W. Hollinshead, who has been with Manhattan Life for the past 16 years at Marshall, Tex., has now been appointed general manager for that company in Dallas.

of the group department of the Elmer Abbey agency. Melvin I. Fiser has been appointed special representative of the group department of the Abbey agency.



Throw Your Scrap Into the Fight

Scrap is vital to our war effort. For half the metal in every ship, every gun, every tank is scrap.

Therefore it is essential that everyone search every inch, every corner of their homes, plants, factories, farm yards, and back yards—and collect every ounce of scrap. No article is too small, none too large. Your pound of scrap may make the difference between victory and defeat. So let's clean up the enemy by cleaning up the scrap.

Shenandoah Life Insurance Co., Inc.
Roanoke, Virginia

THIS newest Flying Fortress . . . larger and more deadly than any of its predecessors . . . is "One Of The Best" offensive weapons aiding our armed forces in their drive for Victory. Central Life . . . with \$1.10 of assets for each dollar of liability, a ratio well above the national average . . . also is recognized everywhere as "One Of The Best."

CENTRAL LIFE
ASSURANCE SOCIETY
(Mutual)

HOME OFFICE • DES MOINES

VIEWED FROM NEW YORK

By R. B. MITCHELL

WOMEN GUESTS OF LEAGUE

Women policyholders and policyholders' wives were guests of the League of Life Insurance Women at its regular meeting in New York. Following a panel discussion of special problems created for women by the war, guests were invited to ask questions of the members who participated in the panel. These included Mildred Stone, Mutual Benefit Life; Lillian L. Joseph, Home Life; Laura Davis, Penn Mutual; Florence Stieler, New York Life; Marie Foulkes, Provident Mutual, and Marie L. Brown, Equitable Society. Beatrice Jones, Equitable Society, past president Life Underwriters Association of New York City, gave a talk on the democratic nature of life insurance and the privileges available to policyholders if they exercise them.

DON SLEE TO SPEAK

Don E. Slee, cashier of the Mutual Benefit Life's New York City service and collection office, will be the principal speaker at a meeting of the Providence Cashiers' Association Dec. 15. Mr. Slee this year received his diploma as an associate of the Life Office Management Association, being the first of the Mutual Benefit field force to complete the requirements. He has been with the company's cashier's department in New York City since 1928.

WAR WORKER'S PROGRAM

A definite insurance program for a war worker's family with an income of \$75 weekly which is putting \$10 a week into war bonds was discussed by Mildred Stone, Mutual Benefit, and Lillian L. Joseph, Home Life, at a meeting of the Federation of Women's Clubs in New York. The family consisted of a husband, 23, and a wife, 21, married recently. The man already owned \$2,000 ordinary life which had been purchased at age 18 and for which he was paying approximately 75 cents a week. The woman owned a \$3,000, 20-year endowment policy. The suggestion was that \$6 a week should be put into life insurance, the wife taking paid-up insurance on her policy. Mrs. Joseph and Miss Stone sat at a table which was fixed up to represent tea-time.

REELECT STEERING GROUP

The entire executive committee of the Institute of Life Insurance was re-elected by the directors following the annual meeting in New York. The

committee consists of L. A. Lincoln, Metropolitan Life; T. I. Parkinson, Equitable Society; Julian Price, Jefferson Standard; Frazer B. Wilde, Connecticut General; A. B. Wood, Sun Life of Canada; Franklin D'Olier, Prudential; M. A. Linton, Provident Mutual, and G. S. Nollen, Bankers Life of Iowa.

PARKINSON BIRTHDAY TRIBUTE

A birthday tribute from the New York metropolitan department of the Equitable Society to President T. I. Parkinson resulted in 1,570 applications for a volume of \$8,464,150. Leaders were: honor agency, W. J. Dunsmore; in number of applications, Gino Gallo, Herzberg agency; volume leader, K. Hothorn, Dunsmore agency, \$115,500.

The campaign committee consisted of Milton Herzberg, agency manager, chairman; Leonora B. Licht, associate general agent, and L. A. Miner, agency manager. A. V. Ott, president of the company's New York Managers Association, presided at the luncheon at which the results were announced to Mr. Parkinson.

AGENCY HEARS TAX EXPERT

While the \$25,000 salary ceiling contains an allowance for payment of premiums on life insurance purchased before Oct. 3, 1942, the stabilization order permits the taking of credit for insurance that is lapsed and reinstated even though the reinstatement is subsequent to Oct. 3. Howard Rumpf, associate editor Prentice-Hall federal tax division, said at a meeting of the Harris L. Wofford agency of Prudential in New York City. Also, he said, it is permissible to take credit where insurance is converted from one form to another after Oct. 3, the additional amount of money paid for the higher premium form not being regarded as additional salary.

Mr. Rumpf said that the salary stabilization act permitted an employer to buy insurance for an employee without it being considered a violation of the order. He also described other features of the act and answered a number of questions from a large audience.

McLOUGHLIN IN COMPANY POST

Edward McLoughlin has resigned as deputy superintendent of the New York department to become general counsel of North British & Mercantile. He has been with the department 12 years starting in the liquidation division. In more recent years he has been in charge of

fire insurance matters in the New York City office.

CHICAGO

CASHIERS HOLD DINNER DEC. 15

The Life Agency Cashiers Division of Chicago will hold its annual holiday dinner meeting in the Chicago Association of Life Underwriters office Dec. 15. Miss Mildred Krech, president, will preside. A buffet dinner will be served and there will be entertainment. James A. Shevlin, Prudential, is chairman of arrangements.

MEDICAL FORUM IS ORGANIZED

Dr. B. W. Claypool was elected president of the new Chicago Life Insurance Medical Forum at the organization meeting held in the office of the Chicago Association of Life Underwriters. Other officers are: Vice-president, Dr. W. D. Jack; secretary-treasurer, Dr. E. H. Albers; directors, Dr. Ira E. Hoffman, Dr. M. B. Karatz and Dr. J. J. McCarty.

Dr. Claypool announced the Forum would hold a meeting in January, to which all medical examiners and directors in the Chicago area would be invited, and that all who become members at that time will be enrolled as charter members.

The organization committee included Dr. H. W. Dingman, vice-president and medical director Continental Assurance; and Doctors Albers, Hoffman, Claypool, Karatz and McCarty. P. Waldo, A. B. King and L. B. E. Oliver.

FOWLER AGENT LEADS COMPANY

Charles R. Hermes of the Fowler agency of Chicago led the entire agency force of New England Mutual in paid for production for November.

MERGE IN NEW QUARTERS

Central Life of Iowa is merging its cashier's department in Chicago with the sales division there in new offices on the 32nd floor of One North LaSalle street. The cashier for some time has been located at 10 South LaSalle street.

SALES PICKING UP

Life sales appear to be picking up some in Chicago, although business continues to be a little spotty. Most general agents are more optimistic about the future than they have been for some time. However, there will be few gains in December and January over the corresponding months of a year



On January 1, 1942 the Mutual Benefit inaugurated its VETERANS SERVICE ALLOWANCE plan. Requiring no contribution from fieldmen, the Company provides a substantial monthly income for field veterans, men with twenty or more years of service, after they reach the age of 65, based on their earnings during preceding years.

What do Mutual Benefit fieldmen think of the plan? Listen to just this small sample:

FROM AKRON — "The heartbeat accelerates and with it all comes a deep appreciation to the Company for the splendid spirit shown to the men in the field."

FROM ATLANTA — "The best thing the Company has ever done for the benefit of its agents."

FROM BUFFALO — "I did not need this latest act of the Company to increase my loyalty and admiration. It is one of the finest things ever done."

FROM DETROIT — "After so many years of planning retirement incomes for others, it's a grand and glorious feeling to be on the receiving line myself under a plan which was not imagined during my more active years."

FROM N. Y. C. — "It is just another example of the reasons that make so many of us go on year after year preaching Mutual Benefit—knowing that the service to the public and also the treatment of the representatives is outstanding and equalled by no other company."




A GOOD POLICYHOLDERS' COMPANY



A GOOD AGENTS' COMPANY



Our Seventy-fifth Anniversary Year

1867    1942

EQUITABLE LIFE OF IOWA

HOME OFFICE • DES MOINES

ago because of the large volume of war clause business at that time.

RENO LEADERS TO MEET

The "29" club of the Robert R. Reno, Jr., agency of Equitable Society in Chicago will hold its annual luncheon and election on Dec. 19. Club membership is made up of the top 29 producers. President L. G. Owens is now in the navy with the rank of lieutenant (j.g.), so Vice-President Emile de St. Aubin will preside. The November turkey contest proved to be so successful with 20 winners that another contest is being staged ending Dec. 23.

NEW AGENT QUALIFIES

Thomas M. Snow, who joined the Raymond J. Wiese agency of Northwestern National Life in Chicago on Nov. 17 as a full-time producer, was among the 14 members of the agency to qualify for the company's honor roll for the month.

MANAGERS

Boston Managers Elect Traylor as New President

BOSTON—Grant Taggart, president National Association of Life Underwriters, and W. W. Hartshorn, manager of Metropolitan Life in Hartford, and a trustee of the National association, were honor guests at the annual dinner of the General Agents & Life Managers Association of Boston. Frank T. Bobst, John Hancock, retiring president, was in charge.

Discuss National Work

Mr. Taggart discussed intimately federal legislative action affecting life insurance and outlined the National association plans for improvement and extension of the business of life salesmanship. Mr. Hartshorn discussed his work as chairman of the membership committee of the National association.

New officers elected are: President, Fitzhugh Traylor, Equitable Society; vice-president, Joshua B. Clark, State Mutual Life; treasurer, Leonard T. Smith, Prudential; secretary, John Bogardus, Union Mutual Life; directors, Richard Blackmur, Massachusetts Mutual; Ralph Harney, Metropolitan; L. L. Howard, Columbian National; Charles Johnson, John Hancock; Joseph Lani-gan, Mutual Life, and Richard Wagner, Connecticut General.

Nashville Managers Elect

Gordon Slappey, Reliance Life, secretary-treasurer for the past year, was elected president of the General Agents & Managers Association of Nashville, Tenn., at the annual meeting, succeeding L. W. Cherry, Mutual Benefit. J. Hugh Knox, Mutual Life, was elected vice-president, and N. B. Moats, Business Men's Assurance, secretary-treasurer.

Producers Receive Sales Awards

J. E. OCallaghan, Prudential, was elected a director and seven leading producers were awarded distinguished sales awards at the annual meeting of the Memphis Sales Managers Club. Those honored were E. K. Dignowitty, Metropolitan Life; R. C. Govan, Prudential; W. U. Myers, National Life of Vermont; Waddy West, Penn Mutual; Isaac Loswove, State Mutual, and S. W. Whitworth, National Life & Accident.

St. Paul Managers Elect

T. Murdock Donohoe, Sun Life, has been elected president of the St. Paul Managers & General Agents Club. Vice-presidents are John P. Lynch, John Hancock, and C. G. Liemandt, Great-West Life; secretary-treasurer, Joseph

F. Swearengen, John Hancock; directors, Donald O. McLeran, New England Mutual Life; Walter F. Stone, Aetna, and O. G. Holmer, State Mutual.

AGENCY NEWS

Two Alliance Agencies Top Million

The Alliance Life agencies of F. L. Noel at Champaign, Ill., and J. B. Dexter, Battle Creek, Mich., have passed the million dollar mark in volume of written business this year. Both Mr. Noel and Mr. Dexter attribute their volume to adherence to definite working plans of production for their agencies.

Hold Open House in Detroit

President W. H. Cox headed a delegation of home office officials of Union Central Life who visited Detroit for the open house celebration of the branch there, which has moved from its location of many years in the Transportation building to 2306 Buhl building. R. S. Rust, secretary; W. F. Hanselman, superintendent of agencies, and K. D. Hamer, agency department, accompanied President Cox.

Scores of policyholders, agents and general agents and managers of other companies visited the new quarters to congratulate W. S. Reeve, manager for 23 years, and A. P. Shugg, general agent for the past four months.

Schauer Inducted in Detroit

B. A. Schauer, formerly of Pittsburgh, who became general agent of Penn Mutual in Detroit, Dec. 1, succeeding the late L. M. Gillette, was introduced to his staff at a dinner by W. J. Nenner, superintendent of agencies. Among those present were Harmon Jones of the home office, who will work with Mr. Schauer for two weeks; S. W. Ryan, head of Penn Mutual, other general agency there; K. W. Conrey, general agent in Pittsburgh, and W. H. Nicholls, Jr., general agent in Grand Rapids.

Tips Given on Preparing '42 Reports to Public

Operations of insurers in the first year of the war make a "story of compelling interest" to every policyholder which should be told in the annual reports, the Institute of Life Insurance declares in a bulletin.

The institute suggests that each company report should anticipate and answer the questions in the minds of policyholders: "How does the war affect my life insurance? How is my life insurance company making out under war conditions? How does it fit into the war effort?"

"Opportunity should be taken," the taken," the bulletin declares, "to emphasize the essential role of life insurance in the war economy and the part that the agent plays in the service structure of the life insurance business. The contribution this service makes to family and national morale is vital to the war effort. The point should be developed that a major activity of the life insurance agent is to help keep existing insurance in force."

"Particularly, it should be made clear to policyholders that there has been no diminution, resulting from the war, in the security and protection afforded by their life insurance."

Information should be included on war claims and war clauses, war record of investments and earnings, low level of lapses and surrenders, life insurance as "deferred spending," normal contributions to the war effort, special war contributions and life insurance after the war.



Bounty Ahead

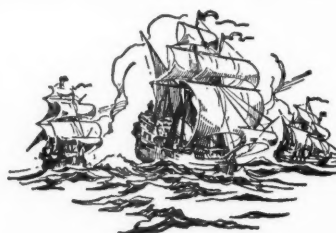
In a nation blessed with bounty, scarcity may come hard to many of us. Even to the heedless, it will invite reflection.

Thus to many a father, the meatless days, the scarcity of this, the lack of that, will raise the vision of what real want might mean to his family.

It should be easier than ever to persuade men to the comfortable security of "Bounty Ahead", through life insurance.



FRANK P. SAMFORD, PRESIDENT



Sailing Ahead

New and liberal agent's contracts are available in Virginia, West Virginia, Maryland, the Carolinas and Tennessee where industrial expansion has brought multitudes of highly paid technical workers to the Atlantic Life agent's very door, and where farm income has increased many-fold.

ATLANTIC LIFE INSURANCE COMPANY

RICHMOND, VIRGINIA

The oldest Southern Company writing ordinary business exclusively.

Everyone Likes "Insurance That Is Different"

Policy holders enjoy the advantages of "Perfect Protection"—Occidental's exclusive feature that pays disability from the first day, irrespective of cause. Needless to say, Occidental field men have an added feature to offer prospects. Thus, everyone is happy.

OCCIDENTAL Life
INSURANCE COMPANY

Laurence F. Lee, President

RALEIGH, NORTH CAROLINA



NEWS OF LIFE ASSOCIATIONS

Forget Future, Concentrate on Today's Duties: Strong

BIRMINGHAM, ALA.—Addressing the Birmingham Association of Life Underwriters on the "Uncertainty of the Future," Ricks Strong, John Hancock Mutual Life, Dallas, advised forgetting about the future and concentrating on today's duties. He said agents who insist on talking about the war should join the army and get paid for it, or else "shut up and sell life insurance."

He enumerated other so-called dark periods in history. Things looked uncertain in the former war, in the crash of 1929, and in the bank closings of 1933, yet the world and business went on to greater achievements, and such would result from the present war.

"After all the life insurance agent makes his living out of the fact that the future is uncertain," Mr. Strong said. "Hence these times ought to be made to order for him. Certainly nothing has happened to the need for life insurance."

Form \$250,000 Round Table in Memphis Association

A Quarter Million Dollar Round Table has been formed by the Memphis Life Underwriters Association. Membership is limited to full-time agents who are not general agents or managers and who have met the other necessary requirements. Oscar Hurt, Jr., State Mutual, is chairman. Other officers are: Vice-chairman, William F. Hughes, Massachusetts Mutual; secretary, Ed Felsenthal, New England Mutual.

Members include: W. P. Brown, Union Central; Isaac Loskove, State Mutual; Russell Perry, Connecticut Mutual; Lucille DeVore, New York Life; Charles Howson, Travelers; Jack Umstead, Jefferson Standard; Donelson Lake, Equitable Society. Three members are in service: Leslie Fortune, Massachusetts Mutual; C. W. Moore, Connecticut Mutual; Herman Appleson, New York Life.

Members were guests at the monthly meeting of the Memphis association, at which H. A. Hedges, vice-president National association, spoke. The group plans monthly meetings to discuss sales ideas.

N.A.L.U. Gained 7 Points in Revenue Bill: Taggart

PHILADELPHIA—Grant Taggart, president of the National Association of Life Underwriters, in addressing the Philadelphia Life Underwriters Association sketched some of the activities of the N.A.L.U. and gave an inspirational message. Mr. Taggart stated that the headquarters staff is on the job guarding the welfare of the agents as well as preserving the interests of policyholders. In connection with the new revenue bill, seven points advocated by the N.A.L.U. were adopted and the only defeat was in the removal of the specific \$40,000 exemption of life insurance from estate tax.

The credit that is given in the victory tax for life insurance premium payments is an indirect recognition on the part of the government that life insurance is essential and another favorable indication is the provision for going above the \$25,000 salary ceiling to take care of life insurance premiums.

Must Apply Extra Force

The speaker expressed the opinion that with the loss of man-power, production cannot be maintained, but each agent must apply extra force in his work. Agents can be regarded as combat troops on the financial battle line, he declared.

There is a need for leaders in the field who have a definite plan and stick to it and who can inspire others to do

their best, to believe in his company, his manager and the institution.

The agent today should not be discouraged by challenges and handicaps but should press forward knowing that the opportunities today are great with pockets full of money. "Build more prestige and make each occasion a great occasion because you never know when someone is measuring you for a better job."

Launch Program in Mich. to Aid Men in Service

LANSING, MICH.—Michigan department officials and the state council of the Michigan Life Underwriters Association are working on an educational program to prepare association members to provide sound advice on insurance matters to men already in or about to enter service. Each local association is to arrange for training its members to answer any pertinent question of a service man.

Home offices are being asked to provide information to be made available to the agents in order that they may intelligently guide service men in maintenance of existing insurance or modifying their programs to meet their new situations, without imperiling their coverage.

Harold Brogan of Lansing, president, and Herbert Thompson, Detroit, secretary-counsel of the state association, and Seth Burwell, head of the life division of the Michigan department, are taking the leadership in the program. The department has been conducting a radio information service for men in service but it is felt that the program contemplated by the agents probably will be much more effective in that individual problems can be taken up and given due consideration.

Myrick Talks at Jackson, Miss.

Despite the tremendous responsibility being shouldered by women in industry and direct war services, they "still are the head of the home and as such must continue to preside over it in such a manner that their children will always want to come back to it," Julian S. Myrick, vice-president of Mutual Life of New York, said in a talk before the Jackson (Miss.) Association of Life Underwriters. It was ladies' night.

It remains the woman's responsibility to maintain the home and all it stands for, he said, and life insurance helps keep the family together. In the past 10 years life companies have returned to policyholders and beneficiaries an average of \$2,700,000,000 per year.

Postpone New Jersey Congress

NEWARK—Frank A. Williams, president of the New Jersey State Association of Life Underwriters, has announced that due to the transportation problem, the annual sales congress scheduled for Newark Jan. 7 has been postponed. It may be held later.

Draws Boston Fire Lesson

BOSTON—Addressing the Boston Life Underwriters Association, Grant Taggart, president of the National association, drew a lesson from the Boston Coconut Grove disaster. The ministers

will call but once after such a disaster, he said, but the life insurance agent will be calling for many years with benefits for the surviving members of the families. Guests included W. W. Hartshorn, Hartford, Conn., national trustee, and Lieut. Comm. Charles J. Zimmerman, formerly of Chicago. Vice-president Wesley Enman presided on account of the illness of President Winslow S. Cobb.

Irwin Speaks at Altoona

"If there ever was a time when life insurance salesmen needed a track to run on, a schedule to run by, and a green light saying 'Go,' that time is right now," said Hampton H. Irwin, educational director Massachusetts Mutual, in conducting a production clinic for the Altoona (Pa.) Life Underwriters Association.

"Paradoxical though it may be," said Mr. Irwin, "during these days, with life hazards increased tremendously, and the need for life insurance multiplied, John Citizen and his wife Mary are far less conscious of their personal needs for life insurance, than in former days. Aggressive solicitation is needed to bring them to a consciousness of their need for protection."

"The agent must now be a better prospector, more efficient, more resourceful in meeting objections, more tenacious in pressing for a decision than ever before. He must not allow anything to derail his determined effort to reach his objective which is two-fold in nature—producing income for himself by rendering a service to his client."

Ames, Ia.—W. S. Rupe, publisher of the Ames "Tribune," spoke on "The Value of a Life Underwriter in a Local Community." He laid particular emphasis on the spiritual factors that contribute to success. "The spark that drives men on is the thought 'I will not fail,'" he said.

Bristol, Va.—Tenn.—The Institute of Life Insurance film, "Yours Truly, Ed Graham," was shown. Best wishes were extended to Howard Cox, who is being transferred to Richmond. Two new members were received. Fey Rogers of radio station WOPI, Bristol, presented a plan for a Christmas broadcast.

Birmingham.—Although most life agents have been granted B rationing cards, a few were given only A cards and the association has appointed a com-

mittee headed by Milton Smith of Union Central Life, to present their case before the board. Even with a B card most agents will have to restrict their driving from 25 to 50 percent of the average.

Fox River Valley, Wis.—A dinner meeting was held in Appleton with members present also from Oshkosh and other valley cities. Frank J. Kuhl, Milwaukee, collector of internal revenue and state administrator of the war bond savings staff, spoke. Chairmen of the city and county staff and their committees were guests.

Minneapolis.—Three Minneapolis life men who have achieved success in the past and are continuing to write a large volume will put on a program at the Dec. 17 luncheon meeting. The general theme will be "Today's Market and How to Capture It." Considerable attention will be given to the defense worker but other types of prospects will be covered.

St. Paul.—W. R. Jenkins, sales director of Northwestern National Life, will speak Dec. 15. President Mel Meyer will present certificates to those agencies which are represented 100 percent in the association.

Minnesota.—All past presidents met with President Leon La Bounta in St. Paul to consider matters of importance to the state association.

Peoria, Ill.—The annual stag dinner will be held Dec. 17, with a talk on "The War as I See It" by Lt. Col. Alden H. Seabury of Peoria. With a record of 25 years' army service, including duty with the field artillery overseas in the first world war, he is head of the priorities department of the R. Herschel Mfg. Co., Peoria, and previously was a news commentator of radio station WMBD, Peoria. He will discuss the latest developments in the war and their effect on future events. The dinner will terminate the membership drive, which has as its goal 200 members in 1943.

Roy Davis, Aetna Life, is chairman of the dinner. The directors will meet Dec. 14.

Jackson, Tenn.—The annual "ladies night" dinner meeting will be held Jan. 8 at which wives and friends of members will be guests. It was announced at the December meeting. A round table was held on the question of how agents best can render service to policyholders in these times. It was the consensus life insurance is a most valuable industry in war time. The agents expressed willingness to cooperate with the government in every way possible for the conservation of gasoline and tires and to ask for and use the minimum amount of gasoline. Methods of reducing car mileage were discussed.

San Francisco.—V. Webner Wiede-

A WHITE CHRISTMAS

calls to mind a snow-covered scene—a peaceful scene. This year Alliance Life men have assured thousands of men and women peace of mind through income protection.

B. T. Kamins, Agency Director

UNSURPASSED REINSURANCE SERVICE

Life
Accident
Disability
Substandard

R. E. Button, Reinsurance Secretary

ALLIANCE LIFE INSURANCE CO.

Executive Offices

750 N. MICHIGAN AVE., CHICAGO

AGENTS WANTED!

Territory Open in Virginia,
West Virginia, and Kentucky

GEORGE WASHINGTON LIFE INSURANCE COMPANY

of
CHARLESTON, W. VA.



mann, general agent Equitable of Iowa, chairman of the public relations committee, has been appointed by President W. H. Brock, Jr., to head a special committee for cooperation with the blood bank, through which members of the association will donate blood.

The Christmas good fellowship luncheon will be held Dec. 17. Christmas carols are to be presented by the glee club of the Olympic Club. Lloyd E. Wilson, secretary of the California Masonic grand lodge, will speak.

Springfield, Mass.—Grant Taggart, National association president, said discontinuance of the \$40,000 life insurance exemption in the estate tax law opened the way for more favorable consideration in the future of a definite recognition of life insurance earmarked for payment of estate taxes.

He suggested that agents give more emphasis to their part in preparing buyers for post-war adjustments. He urged that producers be each other's renewal agents and said planned and organized production will bring results today as always.

Ft. Wayne, Ind.—Gifford T. Vermillion, Chicago manager Mutual Life of New York, will discuss "Motivation" at the Dec. 17 luncheon meeting.

San Antonio—Under the direction of Ronald Vincent, Travelers, an "Information, Please" program was staged. Frank Pahlman, Great Southern Life; Tom N. Moody, Amicable Life; Julian Blair, Aetna Life, and Lloyd Silberberger, Connecticut Mutual Life, assisted by other members, answered the questions, which developed the importance of an income as compared with other problems, the values in life insurance which may be free from income taxes and attachment in case of indebtedness and the answering of the excuse that a prospect wishes to talk with his wife.

Wichita—A ladies night meeting will be held Dec. 11 in lieu of two regular December meetings. Dr. Kenneth McFarland, superintendent of schools, Topeka, who frequently has spoken on life insurance at agents meetings, will talk. Paul Jernigan, Penn Mutual, program chairman, has arranged musical entertainment. S. G. Glover, National Life & Accident, president, will preside. Dr. F. D. Farrell, president Kansas State College, spoke at the November meeting on "The Hazards of Democracy." He discussed inflation dangers and how investments in life insurance would help combat them. He said increased taxes would combat inflation.

Hartford—"For distinguished service rendered in behalf of the war savings program," the Hartford association at its monthly meeting received a citation from Henry Morgenthau, Jr., secretary

of the Treasury. The certificate was presented to Frank Alberts, president of the association, by Philip Hewes, administrator for Connecticut, in the presence of 150 members, guests and Grant Taggart, president N.A.L.U.

Earlier in the day when the city received a special Treasury flag, the underwriters had a place of honor on the program. Mr. Taggart was a special guest and C. Gilbert Shepherd, Aetna Life, chairman of the underwriters' committee, spoke.

FRATERNALS

Doorbell Ringing Now Necessary

Doorbell ringing is not only necessary but profitable these days, W. G. Fisher, executive vice-president Lutheran Brotherhood, Minneapolis, told the Minnesota Fraternal Congress at its annual meeting in his city.

This technique which is disliked by many life insurance salesmen is necessary now because a great many policyholders are on the move, he said. An investigation of changes of address made in his society showed over a period of a year 1,122 policyholders in Minnesota had moved out of the state, 986 had gone into the state and 4,437 had moved within the state, or a total of 6,665 who had changed their addresses.

Prospecting Medium

Mr. Fisher said when life agents ring doorbells these days they have an opportunity not only for timely service to policyholders but extra sales to policyholders who have moved because they have improved their income, and new prospects among relatives and friends with whom the policyholder usually lives until he becomes adjusted in his new surroundings. Making a service call to the new address offers the opportunity to meet new people.

Mr. Fisher gave a prepared talk which he recommended as a door opener. He also suggested taking along calendars, baby books, budget books, pencils, thimbles, bond wallets, ration card holders or some similar items to present to the policyholder on the service call. He told of an old line life company agent who presented a sterling silver baby spoon at homes where babies recently had been born.

"In pushing a button," Mr. Fisher said, "you are not just ringing the doorbell, but you are doing far more than that—you are following the new dollars." He explained he did not recommend merely going down a street ringing all the doorbells one sees but something must be known about the prospect first.

Great Aid to New Agent

The door opener idea has been especially successful among newer agents, he said. It gives them something to do and someone to see. There is a question whether the premium given at the door does the prospect as much good as it does the agent, for it gives the agent something in his hand to get him started to make calls. It tides him over the initial period of timidity.

Mr. Fisher also reported as chairman of the educational committee on four educational projects similar to those of 1941. These are further distribution of the book "Fraternal Life Insurance," consultation on the F.I.C. degree, participation in and recommendation of the Purdue University life insurance summer school course including fraternal insurance problems, and cooperation in the program of the Twin City Fraternal Life Underwriters Association. Mr. Fisher conducted the fraternal discussion in the Purdue course. He commented on the summer life insurance selling course conducted this year at Kansas University.

President N. J. Williams of the National Fraternal Congress was the main speaker at the banquet which wound up

the one-day meeting. There was a patriotic pageant, "Thanksgiving of Patriots," put on by Royal Neighbors under direction of Luella H. Ives, Minnesota supervisor.

Washington State Congress Meets in Seattle

The Washington State Fraternal Congress held its midwinter meeting in Seattle with Knights of Columbus as host in that society's hall. There was a ladies night and reception to J. F. Fogarty, grand master workman, A. O. U. W. of Washington, in honor of his election as the president of the State Congresses Section of the National Fraternal Congress at the Chicago annual meeting. Mrs. Violet Lundstedt presided as congress president.

Speakers included Mrs. Minerva Codding, Neighbors of Woodcraft, Portland; Howard Le Clair, deputy commissioner of Washington, and Stephen F. Chadwick, past national commander American Legion.

Fred Lynch, K. of C., member executive committee, sang Irish songs and there was community singing led by A. H. Lind and a chorus from A. O. U. W. Neighbors of Woodcraft drill team gave an exhibition drill.

Past President T. J. Ivers, delegate to the N.F.C. meeting, gave a report on the Chicago meeting. Knights of Columbus served a Dutch lunch.

Plans for meetings in different parts of the state have been made by the congress.

N.F.C. Leaders Consider Matters in New York

The National Fraternal Congress executive committee held a meeting in New York city presided over by President N. J. Williams. All members except Mrs. Grace W. McCurdy, head of Royal Neighbors, Rock Island, Ill., were present. Mrs. McCurdy was unable to attend because of previous commitments.

Only routine business was transacted. No decision was made on the date and place for holding the 1943 annual meeting, although it is understood plans are still being considered on the basis that this is a business meeting necessary for the welfare of the fraternal institution, and not merely a sales convention amenable to the request of ODT sent out to discourage unnecessary travel.

There seems some question whether the mid-winter meeting of N.F.C. sections, usually held at Chicago in February, will come off in February, 1943. If the sections, themselves, do not meet, it is nevertheless probable that the Fraternal Field Managers Association, an affiliated organization, will hold its gathering at Chicago due to the fact it is an organization seriously intent on improving field representations and the societies' officials consider this to be an essential work.

Foster F. Farrell, N.F.C. manager and secretary-treasurer, rendered a brief report on the affairs of the executive office in Chicago to the committee in New York.

Zuehlke Address Branch

NEENAH, WIS.—W. H. Zuehlke, Appleton, general treasurer Aid Association for Lutherans, spoke at the 40th anniversary celebration of the Neenah branch. Branch officers, district representatives and members took part in a program following dinner.

Schedule Meeting June 21-23

Protected Home Circle will hold its supreme circle meeting at Pittsburgh June 21-23. This is the business meeting and conference of field representatives with head office officials. Plans are being laid for the leading field men and women to attend the meeting, but if transportation difficulties cause cancellation of the trip, payment of trips

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New England Congress Is Studying Hospitalization

BOSTON—The New England Fraternal Congress at its annual meeting here authorized its legislative committee to look into the matter of legislation which would allow fraternal to provide medical attendance and hospitalization for members. The committee also will study the statutory amendment relative to net accretions to see if it can be clarified.

Officers elected are: President, Mary M. Doyle, New England Order of Protection, reelected; vice-presidents, Wilfrid J. Mathieu, Manchester, N. H., Association Canado-Americaine, and Albert J. Lamoreux, Woonsocket, R. I., L'Union St. Jean-Baptiste d'Amerique; secretary-treasurer, C. C. Fearing, Boston.

N. J. Williams, president Equitable Reserve, Neenah, Wis., and president National Fraternal Congress, spoke at the general session and a dinner meeting. He discussed "Responsibilities of Fraternal in Wartime." Farrar Newberry, secretary Woodmen of the World, Omaha, gave a talk.

W. O. W. Magazines Win Awards

Woodmen of the World, Omaha, publications won awards from the Southwestern Association of Industrial Editors. "Junior Visitor" got the achievement award for editorial content and appearance. "Woodmen of the World Magazine" was presented the achievement award for production. H. L. Rosenblum is editor of both magazines.

Catholic Family Protective has purchased a modern three-story building in Milwaukee and will move its home office to the location.

S. A. Oscar, president National Mutual Benefit, Madison, Wis., has been elected vice-president Wisconsin state chamber of commerce.

T. A. Patterson, vice-president of Woodmen of the World, Omaha, is bereaved by the death of his wife at the age of 61 in an Omaha hospital following several months' illness. Mrs. Patterson organized the Omaha Parent-Teachers Association and was its first president. She also was active in community chest and church work.

N. J. Life Council to Elect

The annual meeting of the Life Insurance & Trust Council of Northern New Jersey will be held in Newark Jan. 21.

The feature of the evening will be an "Information Please" program. Prominent attorneys, trust company representatives, life officials and others will answer questions on estate planning and clarify the 1942 revenue act.

E. A. Smith, Jr., in Title Field

E. A. Smith, Jr., former insurance commissioner of Utah, has been elected vice-president of Inter-Mountain Title Guaranty Company and is handling its affairs in California with headquarters in Los Angeles. After leaving the office of insurance commissioner, Mr. Smith for several years was with Pacific Mutual Life and then for a short time was vice-president of Sterling of Chicago. Heretofore most of his insurance experience has been in life, accident and health lines.

Jefferson National in Mich.

Jefferson National Life of Indianapolis has been licensed in Michigan. It expects to enter an additional state in the near future. The company started writing in May, 1939 and now has insurance in force in Indiana in excess of \$14 million.

ACCIDENT

West with Continental as Texas General Agent

W. M. West, who resigned recently as vice-president in charge of the accident and health department of Franklin Life at its home office, has been appointed general agent of the intermediate department of Continental Casualty for Texas, with headquarters in Dallas. He started in Dallas with Continental Casualty early in the century and was conspicuously successful in the accident and health field. He served for a time as superintendent of agents at the home office, later started an agency in St. Louis and then the Miller-West Agency Company in Denver, long one of the leading general agencies of Continental, which is now operated by his son, Rex West.

Early in 1940 he became president of United Life of Salina, Kan., and went with Franklin Life when it took over that company early this year.

Dennis Superintendent of Agents, A. & H. Division

Joseph K. Dennis, manager of the New York city metropolitan branch office of Continental Casualty, has been transferred to the home office as superintendent of agents of the commercial accident and health department. He has had 19 years' insurance experience starting in Chicago with National Life of U. S. A. as branch manager, then being branch manager of Washington National there until 1937.

For a time thereafter he was supervisor of Washington National in southern states and in 1938 went with Continental Casualty as supervisor of the commercial accident and health department at the home office. Later the next year he became superintendent of agents of the commercial accident and health department in the New York City branch and in June, 1940, was promoted to manager for all lines.

Must Report Resisted Claims

SAN FRANCISCO—All companies writing life and disability insurance in California must list in Schedule "F" of the annual statement all claims resisted or compromised during the year covered by the statement and all claims remaining resisted at the end of such year, according to a ruling by Commissioner Caminetti. These lists must be complete, irrespective of the presence or absence of litigation.

Shasky Ohio State Leader

J. V. Shasky of Minneapolis, general agent of Ohio State Life, is the company's leading producer of health and accident insurance for the past year. His agency also is the leader in that field.

WLB Ruling on Group A. & H.

The War Labor Board has ruled that group accident and health can be provided by employers without such action being considered a wage increase. Although the original order stated that life insurance premiums paid by the employer would not be considered as a wage increase there has been some

doubt until the new ruling was made as to the status of group accident and health premiums. Without a definite ruling employers were hesitant about providing accident and health coverage as they might be held in violation of the wage freezing provisions.

C. L. U.

Portland, Ore., Chapter Elects

Roy S. Wheeler, supervising assistant of Mutual Life, is the new president of the Portland, Ore., chapter C. L. U. Millard A. Samuel, New England Mutual Life, was elected secretary-treasurer.

The Portland chapter has been instrumental in promoting life insurance courses in the University of Oregon extension division. Many of these have been taught by Stuart Strong, State Mutual Life.

Hold Buffalo Panel on Taxes

Stanley C. Collins, president of the Buffalo chapter of C. L. U., presided at a luncheon meeting Wednesday, at which A. L. Beck, general agent, National Life of Vermont, led a discussion panel on "Tax Resistance—How to Overcome It." Mr. Beck was assisted by Jack Castle, State Mutual; D. R. Hinkley, New England Mutual; C. T. Knox, Mutual Life of New York, and W. A. Schworm, Mutual Benefit. H. M. Walker, manager of Travelers, was in charge of arrangements.

Mr. Collins, Metropolitan, and J. N. Desmon, John Hancock, were elected directors of the Buffalo Life Underwriters, replacing R. S. Spurr, National Life of Vermont, and S. E. Hickman, Aetna Life, who temporarily have left the life business.

Davis Heads Denver Chapter

C. Earl Davis, Connecticut General manager, was elected president of the Denver chapter of C. L. U. He succeeds J. M. Caldwell. H. O. Smith, Connecticut Mutual, was elected vice-president, and C. W. Eagle, Aetna Life, secretary-treasurer. W. R. Goebel, P. W. Hipp and Hubert McLellan have entered service and the chapter voted to continue their memberships for duration.

Form Staggered Hours Committee

LOS ANGELES.—Representatives of all lines of insurance have formed a conference committee to work with the Southern California War Transportation Council and other similar bodies in an effort to make the staggered hours program more effective.

Russell L. Hoghe, Equitable Life of Iowa, president of the Life Managers Association, and Joseph Charleville, executive secretary Los Angeles Life Underwriters Association, represent the life insurance interests on the committee.

Bankers Life, Ia., Sells Farms

DES MOINES — Bankers Life of Iowa now holds only a small fraction of the Iowa farms acquired during the depression years. The first 11 months of 1942, it sold 4 farms. More than 90 percent of all farms acquired in Iowa now have been sold.

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1943 DIVIDEND ANNOUNCEMENTS

Name of Company	Dividend Scale	Non-Withdrawable Funds	Withdrawable Funds	Accumulated Dividends
Aetna	Same as 1942	3.0	3.0	3.0
American Home, Kan.	Same as 1942	3.5	3.5	3.5
Boston Mutual	Same as 1942	2.5	2.5	2.5
Central, O.	Same as 1942	3.0	3.0	3.0
Central, Kan.	Same as 1942	3.5	3.5	3.5
Columbia Mutual, Ia.	Same as 1942	3.5	3.5	3.5
Columbus Mutual	Revised scale; total paid is higher than 1942	3.4	3.4	3.25
Connecticut Mutual	14 1/2% dec. in aggregate	3.25	3.25	3.25
Continental American	Same as 1942 except some increases on term	Guaranteed rate not yet determined	3.0	3.0
Continental, Ill.	Same as 1942	3.0	3.0	3.0
Equitable, Can.	Same as 1942	3.0	3.0	3.0
Expressmen's Mutual	Approximate 20% decrease	3.5	3.5	3.5
Fidelity Mutual	Decrease	3.5	3.5	3.5
Government Personnel	Dividends suspended for the duration	3.5	3.5	3.5
Great-West	Tentatively no change	3.0	3.0	3.0
Guardian, N. Y.	Approximate 6% dec.	3.0	3.0	3.0
Home, N. Y.	10% dec.	3.0	3.0	3.0
John Hancock Mutual	Approximate 11 1/2% dec.	3.0	3.0	3.0
Lafayette Life	Same as 1942	3.5	3.5	3.5
Lincoln Liberty	Same as 1942	3.0	3.0	3.5
Midland Mutual	Same as 1942	2.5	2.5	3.0
Midwest Life	Same as 1942	3.0	3.0	3.0
National Guardian	Same as 1942	3.5	3.5	3.5
National, Vt.	Approximate 8% dec.	3.25	3.25	3.25
New England Mutual	Same as 1942	3.0	3.0	3.0
Northern, Canada	Same as 1942	3.5	3.5	3.25
Northwestern Mutual	Same as 1942 except on paid-up insurance	2.5	2.5	2.5
Philadelphia Life	Tentatively same as 1942	3.5	3.5	3.5
Policyholders Natl.	Same as 1942	3.25	3.25	3.0
Provident Mutual	Reduction	3.0	3.0	3.0
Savings Bank, N. Y.	To May 1, 1943 same as 1942	2.5	2.0	4.0
Shenandoah	Tentatively same as 1942	3.5	3.5	3.5
Standard, Ind.	Same as 1942	3.75	3.5	3.5
State Farm	Same as 1942	3.5	3.0	3.0
State Mutual	Same as 1942	3.5	3.0	3.0
Sun, Md.	Same as 1942	2.75	2.0	2.5
Teachers Ins. & Ann.	Same as 1942	Guaranteed rate	Guaranteed rate	Guaranteed rate
Union Central	Decrease	Guaranteed rate	Guaranteed rate	Guaranteed rate
Union Labor	Same as 1942	Guaranteed rate	Guaranteed rate	Guaranteed rate
Victory Mutual	No dividends declared	4.0	4.0	4.0
Western Reserve	Tentatively same as 1942	Guaranteed rate	Guaranteed rate	Guaranteed rate
Wisconsin Life	Same as 1942	Guaranteed rate	Guaranteed rate	Guaranteed rate

Dividend Scale for '43 Set by Several Insurers

(CONTINUED FROM PAGE 4)

tions and dividends on deposit. The interest paid on such funds in 1943 will be 3 percent instead of 3 1/4 percent as heretofore. This is due to decreased interest earnings with no offsetting gains and in view of the current interest situation and outlook, said Mr. Low.

GUARDIAN LIFE

A new scale of dividend distribution to policyholders in 1943 has been adopted by Guardian Life subject to the usual January ratification after results of the full year's operations for 1942 are available.

The only essential change is a reduction in the interest rate used in the dividend formula from 3.5 percent to 3.3 percent. This action is called for in view of the steady decline in interest rates over the last few years and the probability of continuing the policy of investing an increasing proportion of new funds in government bonds, which will result in a continuing decline in interest on new investments.

The 1943 scale is approximately a 6 percent decrease from the 1942 scale with adjustments bringing about little change on the lower premium plans and those of short duration but with a substantial decrease in policies on the higher premium plans and longer durations.

Dividends left to accumulate and policy proceeds will continue to receive 3 percent interest if non-withdrawable or 2 percent if withdrawable.

FIDELITY MUTUAL

The Jan. 1, 1943 scale of dividends announced by Fidelity Mutual is a reduction from that in use since July 1, 1941. This decrease follows the general trend of slightly lower dividends on the lower premium forms and those of short durations with the burden of the decrease falling on the higher premium forms and

longer durations. At age 35, a comparison to total dividends for a 20 year period is as follows: Ordinary life, 1942, \$105.84, 1943, \$92.24; 20 payment life, 1942, \$120.58, 1943, \$104.76; 20 year endowment, 1942, \$140.80, 1943, \$121.94.

Illustrative dividends on the 1943 scale at some few ages are shown below.

		Ordinary Life				
		Dividend				
		End of Policy Year				
Age	Prem.	1	5	10	20	Total
20	\$17.79	\$2.38	\$3.17	\$3.55	\$4.46	\$72.45
25	19.89	2.99	3.32	3.73	4.83	77.18
30	22.66	3.13	3.54	4.10	5.40	83.78
35	26.24	3.34	3.84	4.49	5.96	92.24
40	30.93	3.62	4.21	5.08	6.66	102.54
45	37.23	3.99	4.80	5.68	7.46	115.37
50	45.82	4.55	5.40	6.48	8.44	130.95
55	57.38	5.15	6.17	7.38	9.75	149.63
60	73.43	5.96	7.13	8.54	11.52	174.70

		20 Payment Life				
		Dividend				
Age	Prem.	1	5	10	20	Total
20	\$27.54	\$3.07	\$3.53	\$4.16	\$5.69	\$5.78
25	29.81	3.17	3.69	4.40	6.05	90.51
30	32.64	3.32	3.90	4.72	6.54	96.84
35	36.09	3.52	4.20	5.09	7.05	104.76
40	40.37	3.80	4.56	5.62	7.65	114.13
45	45.89	4.16	5.09	6.17	8.32	125.49
50	53.26	4.69	5.66	6.88	9.13	139.19
55	63.17	5.25	6.37	7.66	10.12	155.35

		20 Year Endowment				
		Dividend				
Age	Prem.	1	5	10	20	Total
20	\$47.25	\$3.42	\$4.25	\$5.42	\$8.15	\$112.59
25	47.72	3.50	4.34	5.51	8.23	114.44
30	48.52	3.61	4.48	5.70	8.38	117.63
35	49.69	3.77	4.70	5.92	8.57	121.94
40	51.48	4.01	4.96	6.27	8.83	127.70
45	54.40	4.31	5.39	6.65	9.18	135.45
50	59.24	4.81	5.86	7.19	9.68	145.92
55	66.86	5.32	6.48	7.86	10.34	158.98

POLICIES

(CONTINUED FROM PAGE 10)

cent American Men (Illinois standard) reserve basis. Annual dividends begin at the end of the second policy year and are not contingent upon the payment of the third premium.

A war clause which is in line with the general terms of the recommendations of the National Association of Insurance Commissioners has been adopted.

Mutual Savings, which was organized to take over the business of Central States Life, has completed its first year of operations. Until now the management has devoted itself exclusively to conservation work and administration of assets and it has made a good record.

It is now prepared to write new business.

The premium rates at quinquennial ages for a number of forms are shown here:

Age	Ord. Life	20 P. Life	End. 65	Dble. Prot. to 65	Term to 65
15	\$17.31	\$28.49	\$19.48	\$27.04	\$12.18
20	19.20	30.88	22.04	29.70	13.13
25	21.41	33.40	25.23	32.72	14.19
30	24.22	36.33	29.46	36.42	15.56
35	27.89	39.92	35.34	41.47	17.52
40	32.71	44.33	44.04	47.81	20.12
45	39.04	49.83	56.12	55.78	23.63
50	47.42	56.84	76.32	65.46	28.40
55	58.54	66.11	96.73	76.49	35.32
60	73.47	78.81	116.73	91.49	43.40
65	93.61	96.73	136.73	111.49	51.40

Extends Non-Medical on Women

In October Bankers National extended non-medical rules to include women up to and including age 45, married or unmarried, who are regularly employed in a gainful occupation. Recent surveys indicate a growing interest on the part of women buyers to the extent that 28 percent of all buyers are women. Those buyers are about equally divided between single and married women, and 64 percent had no previous life insurance.

As a result of this study, Bankers National is announcing further liberalization in non-medical rules, and will accept non-medical applications on married women who are unemployed up to age 40 for \$1,000 only, provided however, that the husband has in force in Bankers National at least \$2,000, and provided that no non-medical policies have been issued on the life in the past year, and provided, that the husband carries at least an equal amount of insurance in the wife's favor as the wife has in force on her life, including the current application.

Unauthorized Plan Bane of Existence

(CONTINUED FROM PAGE 2)

problem there are certain features that are baffling. For instance, the traveling men's associations writing accident and health insurance are only licensed in their own states for the most part. Others are companies writing church insurance licensed only in the state where they are domiciled. Many of the factory mutuals are not licensed in states where they write business. London Lloyds operates freely in states where there is no license law affecting them or where they do not seek a license.

If some legislation can be enacted that will give the home commissioner more authority over his own companies in other states where they are not licensed and if such companies are compelled to have a person for acceptance of service, the situation would be considerably improved.

The United States Supreme Court many years ago handed down a decision to the effect that any one had a right to procure insurance in any state by mail and thus it would seem that unless there is some law the Post Office Department is prohibited and hamstrung from doing anything effectively. The committee made it plain that the companies that are giving the commissioners the most trouble are small and many of them are assessment companies and operate for the benefit of the insiders rather than the policyholders. Their expense ratio is high, their claim ratio is comparatively low.

Congressman Hobbs of Alabama has endeavored from time to time to initiate federal legislation but he has not been able to see his aims accomplished. One provision would make it unlawful for unlicensed companies to use the mails.

One of the episodes of the committee meeting was the presence of Roger Kenny, insurance editor of the "U. S. Investor" who had written a very critical article in his publication which was passed out to the commissioners, stating that for 45 years they had "played horse" with the unauthorized insurance subject and purposely had kicked it around without accomplishing anything. Mr. Kenny

has a voice like the famous bulls of Bashan. He yells at the top of his voice from the time he starts until he ends, but he loses much in impressiveness.

Question of Salary Publicity Is Opened

(CONTINUED FROM PAGE 3)

down salaries but it has actually had the reverse effect many times. Actuaries or other officers performing duties for one company comparable to those performed by similar officers in other companies have studied Schedule G and upon discovering that others similarly situated are getting better salaries, they have frequently brought this fact to the attention of their own companies and frequently they have gotten a raise.

The newspapers know that there is the greatest human curiosity to know what the other fellow makes or how much he is worth, hence the avidity with which newspapers print salary lists made available by the government, changes, sales or purchases of shares of corporations by individuals, probate court records of estates, etc. But these are facts that the ordinary individual regards as extremely private and hence ugly situations can be caused when they are made public.

It is understood that the commissioners, in originally deciding to call for salary information on Schedule L, were gunning for one or two individuals who declined to give salary information to examiners.

The commissioners were obviously impressed by the point advanced by the fire and casualty people that, with wage freezing, since it would be impossible freely to increase salaries in order to hold key men, publication of salaries would be particularly damaging. Some of the companies in smaller places feared that they would be especially exposed to having junior executives raided by companies in the larger centers where salary levels are higher.

Commissioner Graves of Arkansas is credited with having been responsible at the first session of the executive committee for the decision to amend schedule L to require reporting salaries of \$15,000 and up instead of \$5,000 and higher. Then at a subsequent meeting of the executive committee it was decided to suspend the schedule L requirement for the duration. Commissioner Harrington of Massachusetts and Deputy Commissioner Gough of New Jersey, it is reported, engaged in a heated tiff at that time and then Director Jones of Illinois made a masterful talk that apparently largely influenced the final decision.

Pink to Head Associated Hospital Service of N. Y.

(CONTINUED FROM PAGE 3)

Mr. Pink's connection with the New York department extends over 10 years, during 7 1/2 of which he was superintendent, the longest term served by any superintendent since the first incumbent, William Barnes, who served 10 years. Mr. Pink laughingly holds that his chief title to fame lies in the fact of his being the only public executive who did not drive a state owned automobile.

Always interested in social welfare Mr. Pink has been chairman of the state housing board, and a member of the board of education of New York City. He is chairman of the National Public Housing Conference, member of the executive committee of the National Association of Insurance Commissioners and vice-chairman of the board of trustees of St. Lawrence University, his alma mater.

During his long term as head of the department Mr. Pink proved himself one of the most efficient as well as popular man to hold the office, always showing the utmost consideration for the views of others even where these contradicted his own.

Life Presidents Body Reviews Trend

(CONTINUED FROM PAGE 1)

textiles, automotive products, drugs, meats, groceries, and grains. Nearly one-fifth of total assets, or about \$6,500,000,000, will be in real estate mortgages, representing investments in such vital facilities as farms, small homes, apartment houses, hotels, office buildings and factories.

1942 PRODUCTION

The report includes a year-end estimate of production figures, which was part of a preliminary report published last week. The figure is \$12,100,000,000, or about 7 percent less than the 1941 total, which was the highest annual amount since 1931. The 1942 production will bring the year-end total of insurance in force to a new peak, \$130,000,000,000 on some 67,000,000 policyholders.

The report traces some of the major investment trends of the last 20 years as shown by the records of the 49 member companies. For example, from 1922 to 1929, when the national economy, with the exception of agriculture, was expanding and when ample investment opportunities were offered by private enterprise, life insurance funds were flowing predominantly into corporate bonds and into non-farm mortgages. Non-farm mortgages rose from 17.2 percent of assets to a peak of 30 percent. Farm mortgages, meanwhile, fell from 18 percent of assets at the end of 1922 to 12 percent at the end of 1929 after having reached a peak of 18.9 percent at the end of 1923.

Each of the three classifications of corporate securities showed steady increases in volume during the period from 1922 through 1929 but in percentage of assets, railroad securities declined from 22.7 to 17.8 percent, while public utility securities expanded from 3.2 to 9.1 and securities of miscellaneous corporations increased from 1.3 to 2.6. A marked decline in total government bonds was due mainly to reduction in holdings of U. S. government securities, from 10.4 percent to 2.0 percent of assets, as a result of federal debt retirement.

After 1929 followed the steady increase in U. S. government holdings, to which the companies turned, despite the low yield, rather than relax their standards of investment quality. Another strong upsurge in governments, due to defense and war activities, came in 1941 and raised the ratio of governments to total assets to 21.4 percent. It is estimated that by the end of this year the 49 companies will have 26.7 percent of their assets in U. S. governments, the increase in these holdings for the year almost doubling the greatest previous increase, recorded in 1935.

Municipals Declined

State, county and municipal bonds became somewhat more important as an outlet for investment funds during the depression period. Their percentage of total assets increased from 3.4 at the end of 1929 to 6.3 at the end of 1940, but subsequently has dropped. At the end of 1942 such securities will represent 4.8 percent of assets and will total \$1,526,000,000. Canadian government bonds, which have continued during the depression and since at an almost stationary proportion of assets, will total \$692,000,000 at the end of 1942, or 2.2 percent of assets. Other foreign government bonds have declined almost to a vanishing point. They will represent less than 1/10 of 1 percent at the end of 1942 and will total \$6,000,000.

Depression factors markedly influenced the trend of both farm and urban mortgages, but encouraging improvement has been evidenced in both classes over the past few years. The decline of farm mortgage holdings, noted in the pre-depression period, was greatly accelerated by the depression but tapered

off after the end of 1933. Small increases in volume were recorded in 1941 and 1942, possibly foreshadowing a favorable future trend, but their estimated total—\$803,000,000—as of the end of 1942, will represent only 2.5 percent of assets, the smallest proportion held in this class on any date shown in the tables, contrasting with a peak percentage of 18.9 at the end of 1923.

Urban Mortgages Down and Up

The volume of urban mortgages continued to increase during the first two depression years and then experienced a five-year decline, reversing, in 1937, to an uptrend which has continued through 1942. By the end of the year, urban mortgages will total about \$5,150,000,000, or 16.3 percent of assets, as contrasted with the 1929 peak percentage of 30.0. Transfers to the real estate account of property acquired in satisfaction of indebtedness raised the asset percentage of real estate owned from 2.1 at the end of 1929 to a peak of 8.3 at the end of 1936. The improved trend of distress transfers and the gradual disposition of real estate acquired through debt liquidation have effected a decline to 4.7 percent of assets as estimated for the end of 1942, when such holdings by the 49 companies will total about \$1,491,000,000.

Corporate Securities Hold Own

In contrast to mortgages, corporate securities taken as a group, not only held, during the depression period, a high degree of their former importance in the life insurance investment portfolios but, in the past four years, have attained a higher proportion of assets than at any time in the past 20 years. There has been a marked shift, however, in the three sub-classifications of the corporate security group since 1929.

Rails Trend Downward

Railroad holdings, while maintaining a fairly stable volume, have continued their long-term downward trend in proportion to assets, with a decline from 17.8 percent at the end of 1929 to 9.0 percent as of the end of 1942. Public utility holdings have continued their pre-depression expansion, rising from 9.1 percent of assets at the end of 1929 to 16.1 percent as of the end of 1942, while miscellaneous corporate holdings have expanded notably, from 2.6 percent to 6.6 percent during that period. At the end of 1942, corporate holdings by the 49 companies will include \$2,859,000,000 in railroad securities, \$5,105,000,000 in public utility securities, and \$2,096,000,000 in other corporate securities, making a total of \$10,060,000,000. Of this aggregate, holdings of stock—principally preferred and guaranteed—will represent about \$550,000,000, or less than 2 percent of assets.

Effect of Low Rate Levels

The extent to which investment incomes of life insurance companies have been reduced since 1930, as a result of the limited outlet of investment funds in private enterprise and of governmental influence on money rates, is indicated by available data covering the 49 companies. The rate of net investment earnings of these companies on mean ledger assets was reduced from 5.03 percent in 1939 to 3.39 percent in 1941. This indicates that, for all United States legal reserve life insurance companies, net investment earnings, for the years 1931-1941, were over \$3,000,000,000 less than they would have been had the 1930 rate continued throughout the period. In 1941 alone such earnings were approximately \$500,000,000 lower than they would have been at the 1930 level. The difference indicated for 1941 is about \$70,000,000 more than the amount of dividends actually paid and credited to policyholders that year and is over \$150,000,000 greater than the initial premiums paid on new life insurance.

New Manpower Program's Effect

(CONTINUED FROM PAGE 1)

Announcement of the new manpower program should have the effect of revitalizing a large part of the field force, causing them to go about the job of selling life insurance and war bonds and engaging in civilian defense activities, knowing that when they are wanted elsewhere they will be called and that until then they can hold their heads up in their present work.

Recruiting May Be Easier

Recruiting work may possibly become somewhat easier. Men from 38 to 45 at this time may now be more willing to consider entering upon a life insurance career. Also men over 45 should constitute a more fertile field because they will not have the opportunities they would have had if the armed services had continued taking men up to 45. As an example, a man nearing 50, who about three weeks ago was appointed to perhaps a \$7,500 job remarked that he was exceedingly lucky. "They would never have hired me today," he said. "There is no doubt but what they would have gone out for a man 40 or so."

Also the personnel situation in the home offices as far as the men are concerned should become more stabilized. In almost every office there are older men without dependents and younger men with dependents that have felt the desirability of what is usually referred to as "finding a spot." This preoccupation with their war time status has undoubtedly impaired the efficiency and initiative of many. These men can now devote themselves more intensely to their job until such time as they are called upon to go elsewhere. Undoubtedly there will be supplementary regulations as the program is developed in detail and there may be some such drastic regulation as that in Canada which, for example, prohibits a life insurance company or general agent from interviewing a prospective agent unless specific authority is obtained from the selective service board. The life insurance people in this country have been anticipating such a regulation here and merely because it was not contained in the original announcement does not mean that it will not be promulgated at a later date but there was a feeling of relief that it has not yet been deemed necessary.

Effect on Morale

As poor morale has been one of the main factors in recent sales slump, according to a number of general agents, it is felt that the new ruling will have a beneficial effect on sales. The frequent statements, many of them conflicting, which have been made by selective service officials in the past about calling married men without children

Perkins of Maine Starts Retaliatory Tax Campaign

AUGUSTA, ME. — Commissioner Perkins of Maine has informed the legislative budget committee that he is conducting a campaign on out-of-state companies for taxes due under that state's retaliatory law; that he already has collected \$26,000 and expects to collect a further sum of \$34,000 annually. He asked for an increased appropriation of \$3,000 to pay for the services of a tax expert.

Foreign companies operating in Maine pay a tax of 2 percent on gross direct premiums and fire companies pay an additional 1/2 of 1 percent fire marshal tax. The commissioner cited Indiana, which charges a 3 percent premium tax and whose companies would be required to pay an additional 1 percent in Maine.

Retaliatory provisions would also be invoked as to fees. Maine charges \$20 for certificate of authority and \$20 for filing annual statements. But Connecticut charges Maine companies \$10 for filing preliminary annual statement, \$10 for filing annual statement and \$10 for company's annual license, a total of \$30. New Hampshire charges foreign companies \$150 annually for fees.

has had a disturbing effect on both prospects and agents. This uncertainty of the situation has also been used as an excuse for not buying life insurance even in cases where the prospect was fairly certain about his status. The 38 year old age limit not only clarifies the status of those who were likely to have been called but also reassures those who were fearful but who probably wouldn't have been called anyway. There were many men from 45 to 50 in this worrying class.

In view of the drastic manpower steps taken in Canada, life men feel that they have a right to be at least temporarily optimistic about further freeing of manpower in this country. However, some general agents feel that it is best to be cautious in recruiting and to pass up prospective agents who have had experience in engineering and mechanical lines who might later be called to service in war industries.

A number of insurance men that are 38 and over have been drafted recently. Whether they will want to be or can be discharged to return to their former positions remains to be seen.

The fact that the older group is put beyond call for the time being may mean that younger men with wives and perhaps with children will be needed sooner than they would have been had the change not been made and that may prove disturbing to such younger men, but they will no longer be concerned with the question of whether to enlist or seek a commission. They are at least relieved of the necessity of making a choice and that may cause them to give more undivided attention to their jobs until such time as they may be called.

It's a Waldorf Policy



Much more for little more is an accepted Waldorf policy. You pay no premium for unusually large rooms, skillful service, the finest of food. Your comfort is assured at all times. Men in the insurance business find only one liability about The Waldorf...they are tempted to stay too long.

THE WALDORF-ASTORIA

PARK AVENUE • 49TH TO 50TH • NEW YORK

NYLIC FOR AGENTS

A Successful Agency Plan Since 1896

Nylic for Agents, a system of benefits for persistent and successful agents, was started by the New York Life Insurance Company in 1896. The primary purposes of this special agency plan, commonly referred to as *Nylic*, are:

to encourage men and women of ability and integrity to engage in selling life insurance as a life career;

to offer the Company's agents an opportunity to qualify under the rules of *Nylic* for a monthly income, in addition to current commissions, payable in the third and subsequent years of an agent's membership in *Nylic* up to and including the twentieth year;

to offer the agents an opportunity to earn the right to receive a monthly income for life after qualifying for 20 consecutive years under the rules of *Nylic*;

to give the Company a corps of *permanent* agents and thereby to provide policyholders with greater continuity of personal service.

All *Nylic* payments to an agent are determined by the volume, incidence and persistency of his business in accordance with the terms of his *Nylic* agreement. An annual minimum volume must be produced.

Nylic for Agents rewards and encourages increased length of service with the Company. During an agent's first 20 years in *Nylic*, his rate of compensation per \$1,000 of insurance on which the *Nylic* monthly income is based, is increased at the end of 5 years, 10 years and 15 years of continuous *Nylic* membership. After qualifying for 20 consecutive years, the agent becomes a Senior *Nylic* and receives a monthly life income.

Before he becomes a Senior *Nylic* an agent's membership in *Nylic* and qualification for *Nylic* payments are subject to his continuing in good standing under his agency contract with the Company, and his compliance with the rules and regulations of the Company. However, after he becomes a Senior *Nylic* he will receive regular monthly income checks for life, whether he has an agency contract with the Company or not, provided only that he does not enter the service of another life insurance company. Most Senior *Nylics* do have an agency contract with the Company and continue to write a substantial new business, thus increasing their incomes by first and renewal commissions on such business.

There are now nearly 1,000 living Senior *Nylics* and the present average Senior *Nylic* income check is nearly \$100 per month. The average age when agents become Senior *Nylics* has been about 55.

With this special agency plan which promotes and rewards long continuity of service, New York Life agents have a unique incentive to render the best possible service to their clients.

The experience of the Company with *Nylic* since 1896 shows that it benefits all concerned—the agent and Company, the policyholder and beneficiary.

It is not the purpose of this advertisement to describe all of the benefits, rules and conditions of "Nylic for Agents." For complete information about the Nylic agreement now being made with newly appointed New York Life agents, see the Company's booklet entitled "Nylic No. 3."

NEW YORK LIFE INSURANCE COMPANY, 51 MADISON AVE., NEW YORK, N. Y.

... from Newville to New York
Life Underwriters are

*K*EEPING THE FAITH

There are reasons aplenty why American families received over a billion, seven hundred million dollars from their life insurance policies in the first nine months this year.

The biggest reason of all is faith — grown-up faith that survives the test of centuries and criticism.

The seeds from which this faith has grown were planted by the pioneer life insurance agent. In his day that seems so ancient now, a thousand dollars was a lot of money, and life insurance was new and untried in America. His promise was simple, but sincere — just this: "When the time comes, John, for Mary and the children to get along without you — and that time will come, John — the life insurance company will pay your policy in full."



That promise was kept. And hundreds, thousands, millions like it have been kept, from that day to this . . . And life insurance will keep right on keeping the promises it makes.

The foundation of faith so diligently laid by the pioneering agent has been built upon by every succeeding generation of life insurance men.

And today's life underwriter, ingrained with worthy traditions and trained for efficient service, from Newville to New York, is keeping the faith.

Massachusetts Mutual
LIFE INSURANCE COMPANY
SPRINGFIELD, MASSACHUSETTS
BERTRAND J. PERRY, President